



Jewish areas across Green Line linked to national power grid

By JOEL GREENBERG
Jerusalem Post Reporter

The Energy Ministry last night began disconnecting Jewish neighborhoods in Jerusalem across the Green Line served by the Arab-owned Jerusalem District Electricity Company, linking them to the national power grid supplied by the Israel Electric Corporation.

Energy Ministry officials said the switchover, started at 11 p.m., would be accompanied by power outages in the 13 affected neighborhoods, and would take 12 to 20 hours, depending on weather conditions and cooperation by the JDEC.

About 1,000 police and Border Guards were mobilized to secure the operation, which was expected to pass without incident. Some 200 IEC employees and heavy equipment, including generators and transformers, were pressed into service. Power supply to settlements, army bases and the Old City's Jewish quarter will be switched at a later date.

The move was meant to intimidate the company into accepting the new concession terms.

The workers and company engineers were last night evading cooperation with the new arrangement, communicated to them through orders posted on a wall of the company building in East Jerusalem. The orders, approved yesterday by the cabinet, cited the Emergency Defense Regulations and instructed the workers to show up for work and assist in the switchover "completely, consistently, and in orderly fashion, without slowdowns, interference or interruptions."

As Energy Ministry officials, plainclothesmen, and Border Police stood by waiting at the company building, members of the workers' committee and engineers closeted themselves for hours in a meeting room to discuss their response. The engineers were later escorted by police to JDEC substations to coordinate the changeover.

After receiving the disconnection order in a meeting with Shahal at the Energy Ministry, acting company chairman Hanna Nasser said: "It's up to the Ministry of Energy to do whatever they want, whatever they like. We are going to protest that, we are going to seek all possibilities how to stop the Ministry of Energy from doing that in our concession area." The JDEC board is to meet today to discuss its response, but company attorney Shlomo Toussia Cohen told Nasser last night legal action would be fruitless.

Shahal said the new concession (Continued on Back Page)

Spending spree in November

BY AVI TEMKIN
Post Economic Reporter

The public has renewed its spending spree after a break of several months, figures released yesterday by the Treasury and the Central Bureau of Statistics show. The purchase of durables and private cars has risen sharply, as has the import of consumer goods.

Treasury statistics indicate that during November Israelis purchased 9,600 new cars, 56 per cent more than in November 1986; and 11,235 video cassette recorders were imported, 131 per cent more than in November 1986 and 38 per cent more than in October 1987.

The CBS said that the average monthly import of consumer goods totalled \$120 million during the last two months, 12 per cent more than in the previous three months. The import of consumer durables rose by 26 per cent in October and November, mostly due to a marked increase in the import of private cars.

Observers said yesterday that expectations during November of a devaluation of the shekel had probably encouraged imports of durables. In addition, the strike of employees of the Broadcasting Authority induced the public to purchase a large number of video cassette recorders.

A marked increase in real wages during the last few months apparently also stimulated the spending spree. Real wages rose by 8 per cent in the first nine months of the year as compared with the same period in 1986.

The figures released by the bureau show that consumer goods imports totalled \$1.2 billion in January - November, 30 per cent higher than in the same period last year.

Central bank moves to cut interest rate

Post Economic Staff

The Bank of Israel yesterday gave in to growing pressure to act to reverse the sharp rise in interest rates by announcing the availability of up to NIS 700 million to increase the banking system's liquidity.

Banking sources noted in response that the measures, which will be implemented in three installments over December, should lead to a gradual reduction of interest rates on short-term deposits. These soared to almost 30 per cent last week, before falling back slightly yesterday.

Bank of Israel governor Michael Bruno defended the central bank's monetary policy at yesterday's cabinet meeting. (See story, page 7.)

On eve of Reagan-Gorbachev summit 200,000 mass in U.S. capital on behalf of Soviet Jews

By WOLF BLITZER
Jerusalem Post Correspondent
WASHINGTON — On the eve of Soviet leader Mikhail Gorbachev's arrival in Washington, more than 200,000 Jews and others marched from the White House to Capitol Hill to demand freedom for Soviet Jewry. It was the largest Jewish demonstration

ever in the U.S. capital. Former refuseniks, including Natan Sharansky, Yuli Edelstein and Ida Nudel, joined Vice President George Bush and many other senators and congressmen in proclaiming their determination to do whatever was necessary to ease the plight of Soviet Jewry. There were

prominent representatives of black and Christian organizations as well.

"The human-rights issue is now a permanent part of the U.S.-Soviet agenda," Bush declared. "It will be high on the agenda for the summit. I will personally raise it with Mr. Gorbachev."

Bush said that the U.S. will not be satisfied until all those who want to

leave the Soviet Union are permitted to do so. "And those who want to stay — let them practise their religion in freedom. Let them study Hebrew; let them pray in their own synagogues; let them hear the Voice of Israel; let them lead Jewish lives."

In a letter to the demonstrators, President Reagan applauded their efforts. He noted that the Soviets had recently taken "some limited, but positive steps on the issue of human rights. We welcome these actions, but they are far from enough."

"There are more recent signs of stagnation, but I have high hopes for new, forward steps by the Soviets. I shall press for them in my talks with General Secretary Gorbachev in the

More summit reports
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Soviet Jewry-Page 5

coming days — for the release of all refuseniks, for full freedom of emigration, and for complete freedom of religion and cultural expression. We shall not be satisfied with less."

Israeli Ambassador Moshe Arad read a statement on behalf of the Israeli government and President Herzog declaring that Israel also will not be satisfied until the Soviet Jewry struggle is won completely. Arad said Israel will not be "deceived" until "each and every Jew" in the Soviet Union can either emigrate to Israel or, "if he so wishes, realize his Jewish identity" elsewhere.

(Continued on Back Page)



Tens of thousands of American Jews and their supporters gather yesterday on the Ellipse behind the White House prior to their march down Constitution Avenue. The pre-summit rally was held to urge Soviet leader Gorbachev to allow Jews to emigrate freely. (Reuter)

PLO's Force 17 claims responsibility

Israeli knifed to death in busy Gaza square

By BRADLEY BURSTON
Jerusalem Post Reporter
GAZA — Massive traffic jams and roadblocks throughout the Gaza Strip late yesterday marked the intensive search for the killer of Shlomo Takal, 45, of Bat Yam, who was murdered in an early afternoon knife attack in crowded Palestine Square here.

The PLO's Force 17 has claimed responsibility for the killing. According to IDF investigators, Takal was standing in the doorway of a shop when one or more assail-

ants slit his throat from behind. Storekeepers and passersby came to Takal's aid, but a surgical team at a nearby hospital was unable to save him.

Though numerous suspects were arrested near the murder scene, the dragnet was soon extended to include nearly all of the Gaza Strip. Roads leading south to Khan Yunis and Rafah were closed, and workers returning home from jobs in Israel lined the roads, their vehicles parked on the shoulder, waiting for the traffic jams to clear.

IDF helicopters took part in the search for suspects throughout the afternoon, flying above central Gaza and the refugee camps surrounding the city.

Arriving on the scene later in the day, OC Southern Command Yitzhak Mordechai told reporters he believed the killer or killers would be apprehended shortly. Mordechai also said that Israelis should not fear entering the Gaza Strip as a result of the attack.

A leader of the Gaza Strip settlers, Reuven Rosenblatt, who has been

very critical of Mordechai in recent weeks, said yesterday that the IDF and the settlers should cooperate on security strategies for the region. "The IDF cannot be everywhere at once," Rosenblatt told an Israel Radio reporter.

Palestine Square, the scene of nine terrorist attacks in the past two years, was deserted almost immediately after the murder yesterday.

Last August, Military Police Sergeant Ron Tal was shot to death as he drove along Al-Wahat Street, not far from the site of Takal's murder.

Peres, Eban to testify in Vanunu trial

Jerusalem Post Staff and Agencies
The Jerusalem District Court yesterday decided to order Vice Premier Shimon Peres and MK Abba Eban to appear as defense witnesses in the trial of Mordechai Vanunu who is charged with treason and espionage.

Vanunu, a former technician at the Dimona nuclear installation, had asked the court to call the two. Of the three members on the bench, Judges Zvi Tal and Shalom Breiner voted to accede to the request, against the opposition of Judge Elihu Noam.

The reasons for the decision are to remain secret. Vanunu's attorney, Avigdor Feldman, said he could not elaborate on what issues Peres and Eban would testify.

Asked if they would be questioned on Israel's nuclear capability, he answered: "Probably."

During yesterday's session, the court heard the three-hour-long testimony of Dr. Frank Barnaby, 60, a professor of nuclear physics at the University of London and a former director of the Institute for Peace Studies in Stockholm.

His testimony concerned the revelations that Vanunu has made public. He was cross-examined for 10 minutes.

8 days to Hanukka



Herzog urges WZO to adapt ideology to today's realities

By CHARLES HOFFMAN
Jerusalem Post Reporter

Speaking at the festive opening of the 31st Zionist Congress in Jerusalem, President Chaim Herzog last night called on the World Zionist Organization to adapt its ideology and structure to the new realities and challenges facing Israel and the Jewish people 40 years after the establishment of the state.

Herzog said that the Zionist movement needed to develop new approaches and priorities in its work among Diaspora Jewry. Asserting that Jewish education produces more aliyah than shlichim (emissaries), he called on the WZO to focus on expanding the network of Jewish schools throughout the world.

Referring to the need to develop

new Zionist approaches to fire the imagination of Jewish youth, he noted that some Zionist youth movements abroad are "still living in the era of draining the swamps." He said that Jewish youth should be attracted today by the challenge of contributing to Israel's scientific and economic development.

WZO chairman Arye Dulzin called on Labour and the Likud to make a pact before the next elections to take the "Who is a Jew" issue off Israel's political agenda. He said that they should not lend their hand to "initiatives by anti-Zionist haredim that would split the Jewish people."

Labour leader Shimon Peres emphatically accepted Dulzin's call, but MK Moshe Arens, who was

standing in for Premier Yitzhak Shamir, did not respond.

Chief Rabbi Avraham Shapiro said, however, that it was a "disgrace to bring a person into the Jewish people who was not a real Jew." His remarks were greeted by cheers and boos.

Dulzin said it was no longer justified to raise money abroad for "needy Jews" in Israel. He said the fund-raising bodies that support the Jewish Agency should shift their efforts to developing science, education and culture in Israel and education projects for Diaspora youth in Israel.

When Jerusalem Mayor Teddy Kollek began his remarks, a man suddenly walked onto the stage (Continued on Back Page)

Rabin, Sharon clash over blame for deaths of 6 Nahal soldiers

by ASHER WALLFISH
Jerusalem Post Reporter

Defence Minister Yitzhak Rabin yesterday sparred with Industry and Trade Minister Ariel Sharon in the cabinet about the apportioning of blame for last month's hang-glider attack in the Galilee panhandle in which six Nahal soldiers were shot dead.

Rabin and Chief of General Staff Dan Shomron reported to the cabinet on the disciplinary steps taken against officers and men found guilty of not properly carrying out their duties, and on moves to tighten up defences along the northern border against future infiltration by land and air.

Sharon grumbled that in previous incidents involving the IDF, blame had been attached to political as well as military echelons, and cabinet ministers had paid the price for their ministerial responsibility.

Sharon was alluding to the fact that after the Kahan Commission published its report on the Sabra and Shatilla massacres, he was forced to resign as defence minister.

Rabin was quick to retort that during the IDF's occupation of Lebanon, when six Nahal soldiers were taken captive by terrorists, the issue of ministerial responsibility had not been raised. He was referring to the period when Sharon was defence minister.

Rabin said in his report that disciplinary steps taken against the officers and men due to negligence were commensurate with their slackness on the night the terrorist broke into the Nahal camp near Kiryat Shmona. He said that, while military norms were violated in the camp, the defensive arrangements along the border, in the IDF and in the settlements were more than satisfactory. The top-level IDF inquiry proved that charges of apathetic behaviour in the army and in border settlements lacked all basis in fact.

"The terrorists have not managed to cross the border, on foot or on gliders, for years," Rabin stressed. "There was an extremely grave lapse in the Nahal camp which was attacked, but as for the defences as a whole, we have to maintain a sense

of proportion. The IDF has drawn disciplinary as well as operational conclusions from the lesson it learnt."

Summing up the reports and the discussion, Prime Minister Shamir said the cabinet had complete trust that the IDF would set right what had gone wrong, and cope with the defence of the borders. He also appealed to "those who have been making statements to the media to maintain more appropriate self-restraint in similar situations in the future."

This was taken by most of those present as a rebuke aimed at the chief of general staff who was quoted as describing the men in the camp as "second-class soldiers."

Shamir said that most of the demands of the Lebanese border villages for improvements in their defences and infrastructures had been met, while their requests for debt consolidation were being considered by the banks and the Treasury, in cooperation with the settlement organizations.

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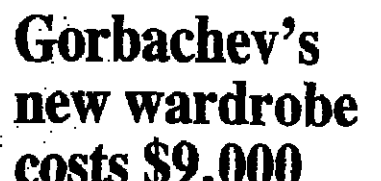
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Egyptian President
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LONDON (AP). — Soviet leader Mikhail Gorbachev bought a new wardrobe from an exclusive Italian tailor for this week's summit meetings with U.S. President Reagan, **The Sunday Express** reported.

\$5m. ransom reportedly paid for two Frenchmen

WASHINGTON (APF).— Here are the main points of the U.S.-Soviet treaty on elimination of intermediate-range nuclear missiles (INF) to be signed here this week by U.S. President Ronald Reagan and Soviet Premier Mikhail Gorbachev:

The treaty calls for the destruction of all U.S. cruise missiles, 96 of which are based in Britain, 64 in West Germany, 80 in Italy and 16 in Belgium. The U.S. missiles to be destroyed each carry a single warhead.

Soviet SS-20 intermediate-range missiles, 16 of which are based in East Germany, Poland and Czechoslovakia, will also be destroyed. During the destruction process, each side will have inspectors at deployment sites of the other side to guarantee the destruction.

Murphy raps Soviet failure to press for peace in Gulf

BAHRAIN (Reuters). — A senior American official has accused the Soviet Union of hindering efforts to end the Gulf war which he said would be a major topic at the U.S.-


 Jerusalem hotel association
 
 JERUSALEM MUNICIPALITY

Members of the Women's Campaign for Soviet Jewry protest against the treatment of Soviet Jews yesterday at London's Parliament Hill. They wore masks depicting U.S. President Reagan, Soviet leader Gorbachev and British Prime Minister Thatcher.

**BUYING THROUGH A
REAL-ESTATE BROKER?**

By DAVID HOROVITZ
Jerusalem Post Correspondent
LONDON. — French Prime Minister Jacques Chirac's denials notwithstanding, it was reported here

Bush lauds North for believing in something

WASHINGTON (AP).—Vice President George Bush says he believes Lt. Col. Oliver North will be viewed as a national hero for his role in the Iran-Contra affair because he "believed passionately in something."

Bangladesh leader dissolves parliament

DACCA (AFP) .- President Hussain Mohammad Ershad of Bangladesh has dissolved parliament, state-owned television announced late yesterday.

The dissolution of the 330-seat

Guests on a three-night stay during the special offer period will receive from the hotel:

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- ★ For guests during the Hanukka period—candlelighting parties with punch and doughnuts
- ★ And a special gift for children.

ISRAEL'S LEADING REAL ESTATE ORGANIZATION

Historic Rendezvous

In Washington

The Mood Is Genuinely Hopeful for This Summit

By DAVID K. SHIPER

AFTER a week of tough talk, conciliatory platitudes and other pre-summit maneuvers, Ronald Reagan and Mikhail S. Gorbachev now stand on the verge of what could be one of the most serious and constructive dialogues that Soviet and American leaders have had in many years. Unlike their first two meetings — in Geneva in 1985 and in Reykjavik, Iceland, in 1986 — this week's Washington summit is to be based on discussions that have matured in the areas of arms control, human rights and regional issues. And while Soviet and American officials are too canny to make glowing predictions, there is a charged atmosphere of hopeful expectation in Washington this weekend that the superpowers may be able to narrow some differences and expand their common ground, even beyond the signing Tuesday of the treaty eliminating intermediate-range missiles in Europe.

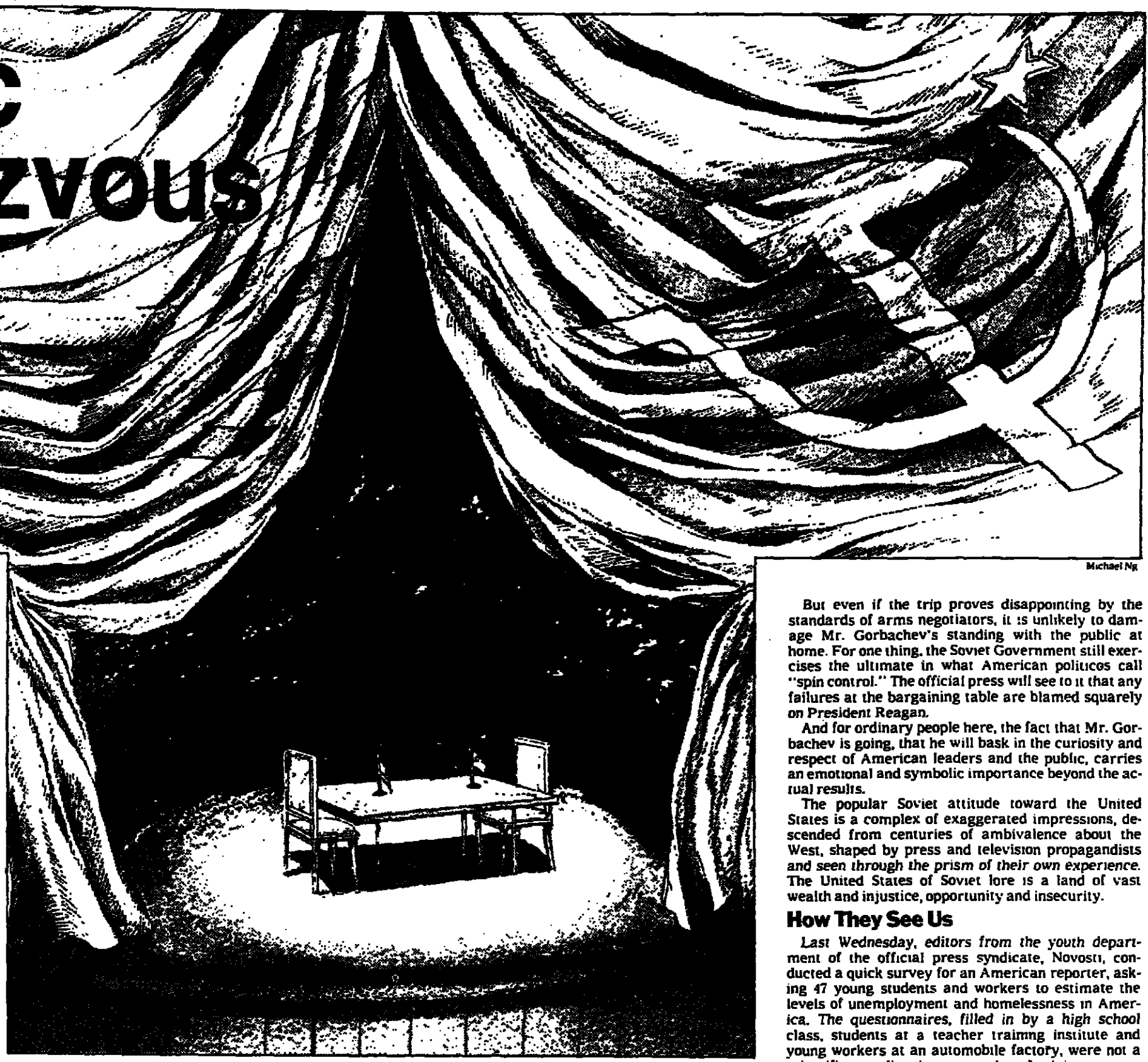
The intersecting paths of Mr. Reagan and Mr. Gorbachev enhance the drama of this summit — the declining conservative at the end of his political career, and the upcoming reformist at the beginning of his — each the product of his society's governing ideology, yet each somehow groping for a level of strategic understanding to reduce the threat of war. Each, too, comes to these talks from his own domestic political milieu, in which a wary conservatism inhibits what Mr. Gorbachev likes to call "new thinking."

The jousting of both leaders with their respective conservative factions may have an impact on what they can do in their talks. Mr. Gorbachev is widely regarded by Soviet-watchers as having bowed to conservatives by presiding over the resignation of his ally, Boris N. Yeltsin, the Moscow Communist Party chief who criticized the slow pace of Mr. Gorbachev's reforms. It was after this event that Mr. Gorbachev began talking not only about the need for change, but also about avoiding "adventurism." Other analysts disagree, however, noting that Mr. Yeltsin is now being portrayed by Soviet officials as rash, impulsive and dictatorial in his purges of the Moscow party apparatus — in short, a liability to the respectability of the Gorbachev program of liberalization. American officials are eager to see whether there is any diminution in his authority to make decisions, change positions and otherwise conduct his negotiations after he arrives tomorrow in Washington.

On the American side, the conservative coalition that brought Mr. Reagan into office has fragmented now, and the Administration has taken on a more centrist cast, leaving some conservatives decidedly unhappy with the President's approach to the Russians. Mr. Reagan took an unusual swipe last week at opponents of the missile treaty, saying, "I think that some of the people who are objecting to the most and just refusing even to accede to the idea of ever getting any understanding, whether they realize it or not, those people — basically down in their deepest thoughts — have accepted that war is inevitable and that there must come to be a war between the two superpowers."

In reply, some Republicans and conservatives attacked Mr. Reagan. A group of hard-line conservatives announced a campaign to block Senate approval of the treaty, but they conceded that the effort might well fail. The chairman of the Conservative Caucus, Howard Phillips, said, "Ronald Reagan is a very weak man with a strong wife and a strong staff. He becomes a useful idiot for Kremlin propaganda."

President Reagan's evolution is illustrated by the kind of



preparation he is getting for this meeting. At earlier summits, one Administration official said, liberals in the State Department — fearing the President's conservative impulses — wanted him to stick closely to the scripted "talking points" carefully drafted by the staff, while conservatives encouraged him to let himself go and speak from his heart. Now, the official said, the roles are reversed, with the conservatives hoping he will stay with the script and State Department officials wanting him to speak freely.

A Gradual Accommodation

Evidently, Mr. Reagan finds Mr. Gorbachev engaging, a new breed of Soviet leader, the first who does not talk about world domination and is willing to co-exist "with other philosophies in other countries," as the President put it in a television interview last week. Mr. Reagan even exempted Mr. Gorbachev from full blame for the war in Afghanistan, saying, "You must remember that there were other leaders under which this happened. He inherited that." (*Problems of Communism in Afghanistan*, page 3.)

This accommodation has been painfully gradual. The Soviet leadership was not always sure that it could deal with Mr. Reagan and reportedly considered waiting for his successor. The President's vilification of the Soviet Union as an "evil empire," which he repeated last week, his early reluctance to embrace arms control, his hard-line advisers' suspicions of any agreement with the Russians, all contributed to periodic doubts in Moscow that much could be done. But Mr. Gorbachev seemed eager for a concrete achievement in superpower relations to demonstrate that he is a doer as well as a talker, and he has said that East-West tranquility would help the leadership concentrate on a domestic program of economic change. Nor did Mr. Gorbachev find the President all that difficult a personality.

"As far as I can judge," said Valentin Falin, a former Soviet ambassador to West Germany and now chairman of Novosti, the Soviet press agency, "Mr. Gorbachev considers Mr. Reagan to be a man with whom it is possible to do business. Your President knows how to listen to his counterpart, and this art of listening is not so frequent. But your President evidently needs some time for analyzing and making conclusions from everything that is said to him. This is not only because of his personal qualities, but also with his advisers, who often give him contradictory advice."

Herein lies a difference in styles that could present problems. As Mr. Gorbachev demonstrated during his interview last week on NBC television, he has a thorough grasp of the issues and likes to debate, while Mr. Reagan is extremely polite, one American official said, and tends to drift into philosophical digressions.

Furthermore, Mr. Gorbachev has a streak of defensiveness, which he displayed last week when he lectured Americans on their supposed disregard for the social and economic rights of their countrymen. The discussions could turn acerbic, or simply end in a frustrating failure to make progress. With Mr. Reagan poised to press the Soviet leader on human rights, and both sides facing complex obstacles on the way toward negotiating reductions in long-range, strategic nuclear weapons, the summit carries risks as well as opportunities.

In Russia

A Proud People Seeks U.S. Respect

By BILL KELLER

WHEN visiting Americans tour a Russian factory, farm, school or hospital, they are sure to be politely interrogated about how it stacks up against a comparable facility in the United States. After this questioning, they may be startled to hear their host declare, contradicting the immediate evidence and the apparent rules of glasnost, "Yes, we have all that, too."

Such is the mix of curiosity and defensiveness Russians feel toward America, and it colors the popular expectations here of Mikhail S. Gorbachev's first visit to Washington as much as any agreements that may result. "Of course, we want the arms agreement and we want better relations," a Moscow teacher said. "Most of all, we don't want to be embarrassed."

If the public expectations in Moscow are running high about this first visit by a Soviet leader to the United States in 14 years, it is because whatever complaints people may have about Mr. Gorbachev's domestic policies, they know he is unlikely to embarrass them in the eyes of the United States.

By the more calculating measurements of geopolitics, Mr. Gorbachev's trip is already assured of being a success, if only because of the treaty limiting medium-range missiles that will be signed as the ceremonial centerpiece of the summit. It will be Mr. Gorbachev's most tangible foreign-policy accomplishment. More important, it will put the blessing of Ronald Reagan on the process of arms control.

If the two men fail to progress toward a subsequent agreement reducing strategic nuclear weapons, Soviet leaders have the satisfaction of knowing that at least Mr. Reagan's signature will make it easier for his successor to pick up the pen.



Soviet leader Mikhail S. Gorbachev chatting with residents of Nakhodka, near Vladivostok.



The economy
Jobs are
up, except
on Wall St.

4



Prime Minister Jacques Chirac (upper right) was on hand at Orly Airport in Paris to welcome former hostages Roger Augue (left) and Jean-Louis Normandin.

Now It's Chirac Who Decides He Can Deal for Hostages

By JAMES M. MARKHAM

POLITICIANS habitually have problems squaring high moral principles with reality — most painfully when they have to deal with fellow citizens who have been kidnapped by terrorists. In an age dominated by the televised image, the hostage becomes compellingly human in his helplessness, generating pressure for action. Interests of state, by contrast, appear remote and arbitrary, and capable of being bent to the demands of compassion.

Prime Minister Jacques Chirac last week found himself being chastised by his Anglo-Saxon allies for a secret deal with Iran that liberated two French hostages in Lebanon and freed nine French diplomats in Teheran from virtual hostage status. The State Department spokesman, Charles E. Redman, said that if France made arrangements "which give the impression or the reality that hostage taking is to be rewarded, we don't think that's the way to go." Lionel Trilling once observed that American culture "particularly honors the act of blaming, which it takes as a sign of virtue and intellect." The Reagan Administration, crippled by its own covert dealings with Iran over hostages and arms, looked rather like someone throwing stones in a glass house.

Prime Minister Margaret Thatcher, a stern advocate of no deals with hostage-takers, was on firmer ground in expressing misgivings over France's freeing of an Iranian employee who did not have diplomatic status

but appeared to hold the embassy's No. 2 post. The employee, Wahid Gordji, was suspected of involvement in a bloody wave of terrorist bombings that killed 13 people and wounded scores of others in Paris last year.

The Thatcher Record

Mrs. Thatcher's Government has apparently spurned any negotiation that might free Terry Waite, the envoy of the Archbishop of Canterbury who has been missing in Lebanon for almost a year. Yet not even the Iron Lady has an unblemished record. In 1984, her Government allowed Libyan diplomats to leave London although one of them had just murdered a British police woman; to have held them would have risked the lives of Britons working in Libya. As politics is sometimes the art of the necessary as well as the possible, it is difficult, and probably invidious, to hand out terrorism report cards. Israel takes the toughest line on terrorism — when it has a military option — but has on occasion released large numbers of Arab prisoners to buy freedom for a few Israelis. West Germany has been harsh on German terrorists but at times extremely soft on the Middle Eastern variety; a big ransom was reportedly paid to free a German hostage in Lebanon in September.

Still, France has over the years acquired an especially unsavory reputation for refusing to extradite terrorist suspects to other European countries while springing others from prison to buy domestic tranquility. The most notorious case arose in 1977 when the French police freed Abu Daoud, the Palestinian thought to be the mastermind of the 1972 Munich Olympics massacre, thwart-

ing extradition efforts by Israel and West Germany.

Mr. Chirac came to office in March 1986 vowing to take an uncompromising stand against terrorists. His interior minister, Charles Pasqua, said he would "terrorize the terrorists," but the following September a shadowy band of bombers unleashed true terror on the streets of Paris. At the time, the police thought that relatives of Georges Ibrahim Abdallah, a jailed Lebanese Marxist, were behind the savage bombings. The Government prosecutor recommended a wrist-slap 10-year sentence, but a panel of judges sentenced him to life.

Since then, Mr. Pasqua's police have decided that it was not the Abdallah clan, but Iran, that had orchestrated the bombings. A wave of arrests suggested that Mr. Gordji, the Iranian who was allowed to go back to Iran, knew a number of Arabs thought to be implicated in the bombings. Last week, Mr. Pasqua insisted that France had done nothing underhanded, but he did not address the legality of letting Mr. Gordji go. It is unlikely that a hurried session of questioning by a French magistrate last Sunday disclosed everything about Mr. Gordji's activities in France. But if he was a kind of terrorist spy master, he also had been at the center of secret discussions with the Chirac Government for "normalizing" relations between Paris and Teheran. Ironically, Mr. Pasqua's wish to question him provoked a break in diplomatic relations last July, and the taut confrontation that has just been defused. Mr. Chirac is now determined to renew the effort at "normalization," hoping to secure the freedom of the last three French hostages in Lebanon.

It is a hazardous enterprise. Wittingly or not, the politically conservative Mr. Chirac has emerged as the "Iranian candidate" in the French presidential election campaign. So far the Socialist President, François Mitterrand, has refrained from openly criticizing Mr. Chirac's bold plunge into the miasma of Iranian politics. The President, though, is the master of the little phrase pregnant with warning for a foe who might stumble and fall. And last week he tossed just such a phrase in Prime Minister Chirac's direction: "One cannot swap innocence against crime."

Armed Intervention Not Ruled Out

What Can the U.S. Really Do About Haiti?

By NEIL A. LEWIS

THE terror that swept Haiti last week was the latest reminder of the difficulty American policymakers face in trying to work their will, no matter how benevolent, on other nations.

What the United States said it wanted for the impoverished and largely illiterate population of that country was the first free election in 30 years. When the balloting was canceled by attacks on polling places, instigated by factions loyal to the deposed Duvalier dynasty and apparently with little resistance from the military Government, there was a rush to debate what went wrong and whether the American ability to influence events in the region had been reduced. But a larger question that was underlined in Haiti is how far the United States can go in manipulating the affairs of other countries.

Reagan Administration officials insisted that they had anticipated the possibility that the balloting would be disrupted. They responded by cutting off financial aid to express displeasure with the Government of Lieut. Gen. Henri Namphy, which assumed power after Jean-Claude Duvalier fled into exile 22 months ago. The Administration's critics said that threats to cut off aid should have been considered months ago, when signs first appeared that the military might not be able or willing to carry out the election. The White House and State Department are weighing other strategies. Elliott Abrams, the assistant secretary of state in charge of Latin American affairs, stressed in an interview early last week that the United States was not considering military intervention. But in a television interview the next day he declined to repeat the assurance. That solution has not necessarily risen to the top of the list of policy alternatives, an official suggested, but strategists may have decided it might be a good idea to have General Namphy and his associates ponder the possibility.

As of now, however, almost no one expects an American invasion such as the takeover of the small Caribbean island of Grenada four years ago. Washington was not always so uncertain on what to do about trouble in Haiti. In 1915, after a series of bloody coups in Haiti, Washington sent in the Marines to restore order and to impose a facsimile of American democracy. The Marines remained until 1934. United States forces invaded the Dominican Republic, Haiti's neighbor on the island of Hispaniola, in 1965, to put down a revolt.

The yearning to see American-style democracy duplicated throughout the world has been a persistent theme in American foreign policy. If the encouragement of democracy served United States strategic interests, all the better. President Reagan last week couched one of the issues he is to take up with Soviet leader Mikhail S. Gorbachev in those terms. In an interview with television network anchors, he said he would be pressing Mr. Gorbachev to end the Soviet presence in Afghanistan, explaining: "The people of Afghanistan must be assured of the right of all of them to participate in establishing the government they want."



Body of a victim of election-day violence was found among ballots at a polling place in Port-au-Prince, Haiti.

The Reagan Administration has paraded the case of Haiti as well as those of the Philippines and South Korea as examples of how it has been able to foster democracy in the world. The United States, which had long supported Ferdinand E. Marcos in the Philippines and the Duvaliers in Haiti, helped persuade both dictators to depart. In South Korea, persistent — some would say belated — diplomacy nudged the ruling party to accept reforms that opened the way for the scheduling of an election, to be held later this month.

Strategic Differences

Mr. Abrams defended the American approach in Haiti, saying the United States could not simply demand to have its way. "It is wrong for Americans to act as if there is no government in Haiti," he said.

For Washington, Haiti is different from the Philippines and South Korea, which are of strategic importance in Asia. The Philippines has two big American air bases, and some 40,000 American troops are stationed in

South Korea. Putting democratic systems in place in Seoul and Manila may be gratifying, but the existence of governments that will insure the stability of those bases is at least as important.

Indeed, the Administration's critics say that it is selective in pressuring countries to adopt democratic freedoms, complaining that, for strategic and other reasons, it has not been tough enough with such nations as Pakistan and Chile.

For months now, the Reagan Administration has been getting tougher with Panama, another country in the region that reflects the reduced American ability to effect change. American officials have been pressuring Gen. Manuel Antonio Noriega to relinquish power and have suspended aid to Panama. But last week, in a show of defiance, Panama expelled officials of the Agency for International Development. "We are putting continuous and steady pressure on him to leave and establish a more democratic society," said a senior American official. "But he sure is proving to be tough."

Links With d'Aubuisson

A Reminder Of a Painful U.S. Role In Salvador

By JAMES LEMOYNE

THE Reagan Administration is supporting the Salvadoran Government in its effort to prosecute rightist political leader Roberto d'Aubuisson, whom President José Napoleón Duarte has accused of being involved in the murder of the Roman Catholic Archbishop here in 1980.

American officials say they are pushing the investigation to make the point that the United States opposes political violence. But there is a deeper sense of United States involvement in the case — because Mr. d'Aubuisson is a product of the old Salvadoran security system the United States helped to establish.

In the 1960's and early 1970's, many United States officials were such fervent promoters of anti-Communism in Latin America that the passion seemed to encourage men like Mr. d'Aubuisson, who was a major in military intelligence, to treat suspected leftists as blood enemies who had to be eliminated. The strong American opposition to Mr. d'Aubuisson today appears to underline the widespread recognition that supporting official repression was a mistake. But, while his former patrons have changed tactics, Mr. d'Aubuisson, a leader of the Nationalist Republican Alliance Party, appears to have lost little of his zeal, occasionally lamenting what he sees as the loss of American will to fight Communism, although he denies that he was involved in political killings.

The Salvadoran military commonly practiced such violence when it was being advised by American officials in the 1960's to the mid-1970's, the years during



Roberto d'Aubuisson, who is accused of involvement in the murder of Archbishop Oscar Arnulfo Romero of El Salvador in 1980.

which Mr. d'Aubuisson earned his reputation as a deadly anti-Communist. But before he was forced to retire from the army after a reformist coup in 1979, Mr. d'Aubuisson and his close associates had become so violent that the Carter Administration, in an about-face from previous policy, cut off aid to El Salvador to protest human rights abuses.

Long before that change of heart, however, the United States had helped to establish an extensive paramilitary network in El Salvador in the 1960's headed by Gen. José Alberto (Chele) Medrano. The force, known as Orden, the Spanish word for order, appears to have been a counterinsurgency effort inspired by the strong anti-Communism of the Kennedy Administration. In practice, Orden operated as a death squad that killed peasants who tilted to the left. To run his operations, Mr. Medrano relied on a group of young men whom Salvadoran officials say, he called "my three assassins." They were Mr. d'Aubuisson, Guillermo Roederer and Eduardo Avila.

Mr. Avila avoided prison for the 1981 murder of two American agrarian advisers and the head of the Salvadoran Land Reform Institute, when the Supreme Court, on which his uncle served, let him go on a technicality. Mr. Roederer was exiled after he was caught kidnapping rich businessmen for profit — a trade that several of Mr. d'Aubuisson's other friends found attractive. When the Salvadoran Government broke up a kidnapping ring last year, at least eight of his associates fled, were jailed or killed.

The coup that expelled Mr. d'Aubuisson from the army also abolished Orden as well as the Salvadoran central intelligence service, called Ansesal, which was also reportedly established with American help. Mr. d'Aubuisson was working for Ansesal when he was fired. According to American and Salvadoran officials, Mr. d'Aubuisson used Ansesal's files that he took with him to target suspected leftists. Many of those Mr. d'Aubuisson publicly accused of being Communists were killed by death squads.

Reagan Administration officials said they knew little about the death squads. But there is reason to believe that some officials in Washington knew quite a lot. One of Mr. d'Aubuisson's protectors in the army was Col. Nicolás Carranza, the head of the much-feared Treasury police. According to American officials, Mr. Carranza was a longtime informant for the Central Intelligence Agency.

In addition, American officials say, the C.I.A. was given a notebook seized in 1980 from an aide to Mr. d'Aubuisson, Alvaro Rafael Saravia, a man who President Duarte says was involved with Mr. d'Aubuisson in assassinating the Archbishop, Oscar Arnulfo Romero. The notebook appears to be a record of death-squad activities. But the C.I.A., American officials say, made little effort to investigate the notebook until 1983 when Congressional pressure finally forced a crackdown on the death squads.

Under American urging, the Salvadoran police appear to have sharply curbed their propensity to kill leftists. For the moment at least, Mr. d'Aubuisson, who recently called on army officers to join in a "patriotic fight" against Communism, seems to have little chance of regaining the power he once enjoyed.

But the guerrilla war that was partially spurred by past Government repression shows no signs of ending. It promises to test the tolerance of the new state security service the United States has created to replace the old one that employed Mr. d'Aubuisson.

Poles Vote Against a Hardship Plan

Austerity
And Unrest
On Rise in
Eastern Bloc

By JOHN TAGLIABUE

IN one country, plans are afoot to close unprofitable steel mills and eliminate thousands of jobs. In another, a Government-decreed belt-tightening drove thousands of workers into the streets, where they ransacked a city hall. In a third, voters rejected an economic austerity program.

These recent events did not take place in Margaret Thatcher's Britain, the steel towns of northern France or in Argentina. The scene was Communist Eastern Europe, where Hungarian officials pledged to shut down subsidized smokestack industries and to cut the Government deficit; Rumanian autoworkers rioted to protest pay cuts and food and energy shortages and Poland held a rare referendum.

Uncertainty is rippling across Eastern Europe, as Communist governments impose changes that, if fully carried out, promise to bring some of the rewards and risks associated with capitalism to people accustomed to the drab but predictable security of cradle-to-grave social largess. But how far will the leaders go, given the powerful interests that do not want to disturb the status quo and the political perils of imposing price increases and pay cuts?

In Poland, where price increases set off riots that toppled governments in 1956, 1970 and 1981, the leadership sought to head off unrest this time by allowing Poles to vote in a referendum last weekend on the pace of the change.

A Convenient Excuse

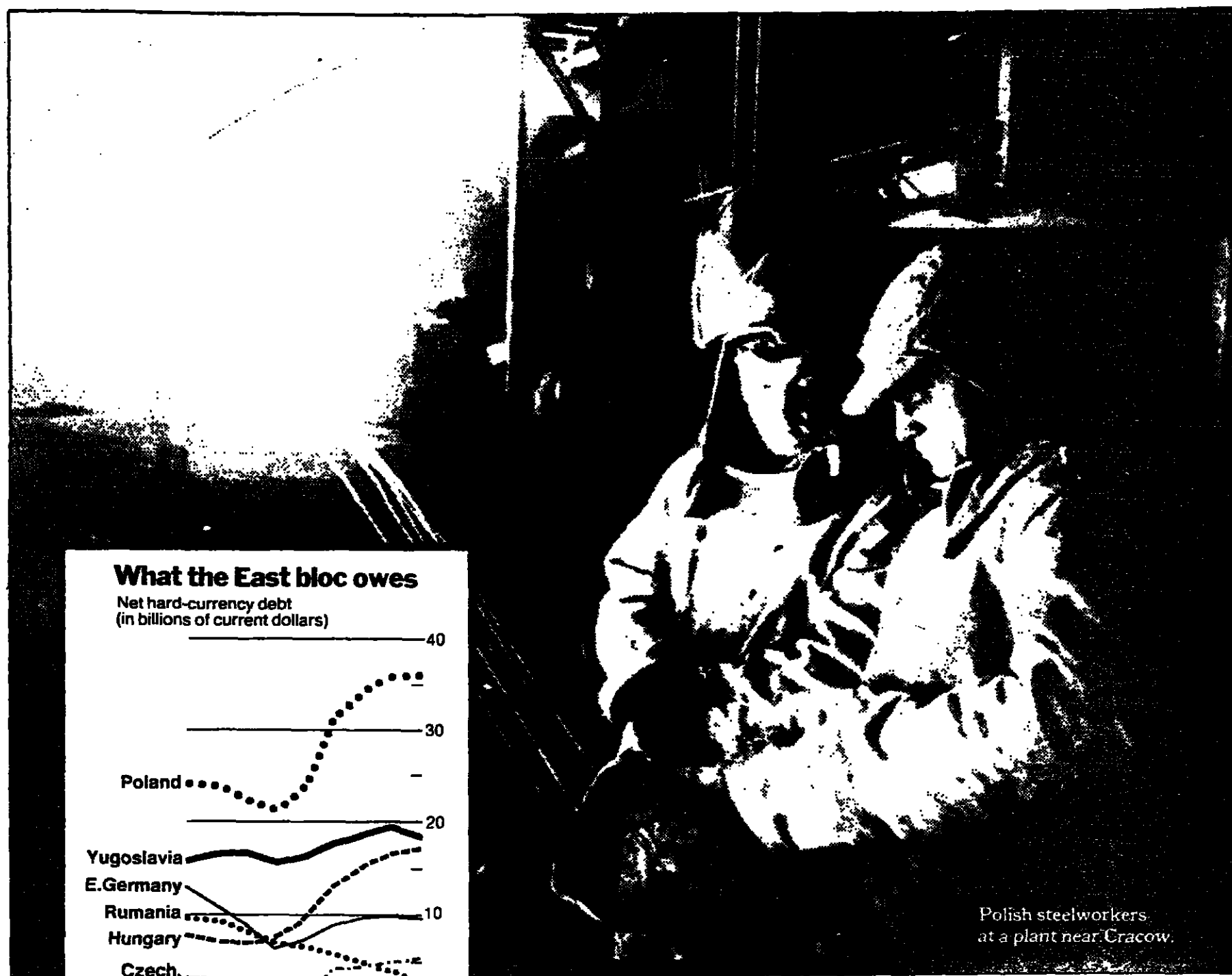
But the mood in smokestack towns like Gdansk and Katowice was cynical. "They're asking whether we want hard times or very hard times, and whether we want them now or later," a young man said before the vote.

In fact, the voters' rejection of drastic austerity gives the Government some breathing room. It has an excuse to scale back steep price increases, defusing the potential for unrest and easing pressure from the International Monetary Fund and other organizations that advocate austerity as a condition for fresh injections of capital.

Even in Hungary, Eastern Europe's perennial reformer, the bloom is off the rose. The Government, facing mounting trade and other deficits and faltering export strategies, has taken the daring step of instituting the Communist world's first personal income and value-added tax, hoping that reduced corporation taxes will free capital for investments in products for export. "We just don't know what the effect will be," a Hungarian businessman said.

Although Yugoslavia's economy is more flexible than the Soviet bloc systems, it too has long suffered from stagnation. Last month, widespread strikes followed the latest price increases and food shortages.

Success stories in Eastern Europe are relative. East Germany and Czechoslovakia, both highly industrialized regions before World War II, perform well only when compared with Bulgaria and Rumania. But



their housing stock and industrial plant are in decay, telecommunications are desperately obsolescent, and services such as health care, hotels and banking are woefully substandard.

And the gap has widened, with countries such as Brazil and South Korea overtaking Eastern Europe. Today, Soviet bloc technology is sometimes not even judged good enough for domestic use.

The Debt Burden

Poland grounded its fleet of Russian-built Ilyushin aircraft as uneconomical and unsafe, and, with Hungary, is seeking to purchase planes from the West, if it can find the money — and a way not to offend Soviet sensibilities.

The Polish Government's predicament reflects the

more general malaise. The burden of servicing an immense foreign debt of \$35 billion and paying for price supports that distort the value of labor and products has drained the investment money needed to renew the economy. To free up the capital will take more sacrifices from a population that is already hard-pressed.

Unlike other Eastern bloc countries, Rumania has a policy of repaying its foreign debt, to eliminate financial dependence on the capitalist West, regardless of the severe consequences for its people.

While Western industries became leaner and more profitable after the oil price shocks of the 1970's and the recession of the early 1980's, the Soviet bloc relied increasingly on internal trade in goods unsalable elsewhere. In 1980, Comecon, the bloc's economic federation, accounted for more than 10 percent of world trade. By 1985, the figure had dropped to 9.6 percent, and is shrinking further.

Today, some countries are exploiting the breathing space afforded by Mikhail S. Gorbachev's restructur-

ing in the Soviet Union to widen private enterprise and to alter the costly wage and price system. Although the Soviet signals are mixed, Moscow's looser grip enables Eastern bloc leaders to seek closer ties to the West. On recent trips to West Germany and Belgium, Erich Honecker of East Germany held talks with bankers and industrialists. And Hungary has obtained \$500 million in new credits from Bonn, presumably as a stimulus to further change.

But even in Hungary, the revamping is meeting resistance from hard-liners who ask cynically what the reforms of the last 20 years have achieved. For Janos Kadar, the Hungarian leader, the concern appears to be respect for the tacit social contract that substituted welfare assurances, such as a guaranteed job, cheap housing and medical care, for Western freedoms.

In the West, he said recently, "if an industry becomes inefficient, it is liquidated and several tens of thousands and even hundreds of thousands of employees are dismissed." "This also," he said, "is part of the image of capitalism."

Polish steelworkers at a plant near Cracow.

Magnum/Bruno Barbey

Amid Rocket Blasts, President Courts Tribal Leaders

Kabul, Thinking of a Soviet Exit, Seeks Friends at Home

By JOHN KIFNER

THE Red Star is gone from atop the seal of Afghanistan.

It is no longer the Democratic Republic of Afghanistan, just the Republic of Afghanistan. And President Najibullah, the burly former chief of secret police that Moscow has put in charge of this wild country, is rarely referred to in the official press these days as "rafik" or comrade. Something more traditional than the Marxist salutation, such as "brother," is fine with the head of state, who now makes a point of being seen in the first row at Islamic Friday prayers.

All these cosmetic changes last week were an effort to make the Soviet-sponsored regime here palatable — less Communist and more Moslem — to the Islamic fundamentalist guerrillas who now dominate much of the country after eight stubborn years of resistance.

General Najibullah (who has only one name, in the tradition of the Pushtun, the major ethnic group) convened a traditional Afghan gathering, called a *loya jergah*, held in times of national crisis. This meeting of tribal chieftains and other influential people ratified a new constitution and also acclaimed him as President, a new, powerful post. The general had been installed by the Soviet forces as the Communist Party chief on May 4, 1986. He replaced Babrak Karmal, who had been Moscow's first choice as national leader, after Soviet troops killed Hafizullah Amin, the Marxist ruler who had taken power in September 1979.

But last week's elaborate charade made little difference in the political reality: an isolated Government propped up by 115,000 Soviet troops, facing what one Western diplomat described as "a whole countryside in revolt." Fifteen minutes into the new President's welcoming address, four rapid rocket blasts from the Mujahedeen guerrillas landed on a nearby hillside, shaking the meeting room and sending the flustered new Soviet ambassador, Pavel P. Mozhayev, scurrying to his limousine at the first opportunity.

The theatrics seemed to cloak a mounting desperation on the part of Mikhail S. Gorbachev, the Soviet leader, to extract his country from the Afghan quagmire. A proposal for a 12-month withdrawal timetable, if only the United States will cut off aid to the rebels, particularly the supply of the devastatingly

effective Stinger missiles, is expected to arise at this week's summit meeting between Mr. Gorbachev and President Reagan in Washington. President Najibullah himself made the proposal, saying it had been "negotiated with the Soviet side."

Mr. Gorbachev said that "if the American Administration really does sincerely want that problem to be resolved... it could be done very quickly," an apparent allusion to the demand that the United States stop supplying the anti-Communist rebels. But President Reagan refers to the Afghan guerrillas as "freedom fighters," and support for them in Washington is widespread and vigorous.

The maneuverings in Afghanistan last week were complicated. On one level, the convening of the *loya jergah* was presented by the Afghan regime as a chance for a

broad-based coalition government to supplant the Communist Government after or during a Soviet withdrawal. There were few who believed that was possible.

More likely, Western diplomats said, Moscow could use the pretense of a non-Communist government to cut itself loose from the Najibullah regime. "The Soviets are looking for a fig leaf, a decent interval if you will, to get out," said a diplomat in Moscow. "Of course, when they leave, the whole thing will collapse."

At the same time, some Western diplomats saw President Najibullah's offer of a Soviet withdrawal in less than 12 months if the rebels agreed to a cease-fire — a proposal certain to be rejected — as a devious way of locking Moscow into supporting him for another year. "If this is a puppet, they have

pretty weak strings," said a diplomat here. Another added: "Najibullah is very tough. The Soviets get upset with the facts he creates."

Blunders and Ferocity

The Afghan experience has been bad for the Soviet Union. American diplomats insist, perhaps disingenuously, that they hate to apply the Vietnam analogy. Then they segue into almost gleeful comparisons of enclave strategies and visions of the Soviet troops leaving with their supporters clinging to the helicopter runners.

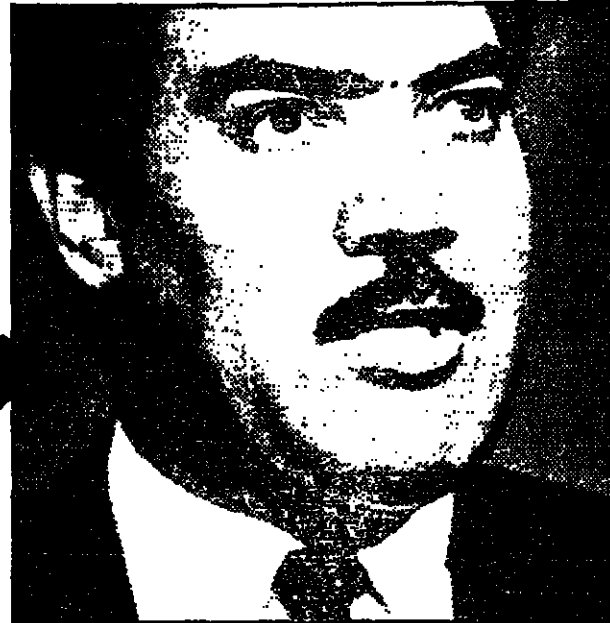
The Soviet Union was drawn directly into Afghanistan through the blunders and ferocity of its local ideological proxies. The Communists here, known as the Peoples Democratic Party of Afghanistan, is divided

into two hostile factions.

Khalq, more doctrinaire, is largely rural and primarily Pushtun in ethnic origin. Parcham is the faction of the urban intellectuals who speak Dari, a form of Persian.

Despite the massive presence of the Soviet troops, the tide of battle has changed drastically in the last year because the Stinger missiles have cut the crucial Soviet helicopter advantage. The Russians have completely abandoned 12 of 30 provinces and, even with winter coming, the Mujahedeen are continuing to fight, keeping open their supply lines to Pakistan.

Finally, this may simply be an ungovernable country, all the more so under Communist doctrine. "The Soviets," a Western diplomat said, "are asking Najibullah to dig his own grave."



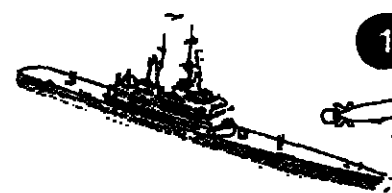
Magnum/Steve McCurry (rebels) and Abbas (Najibullah)

President Najibullah (above) is trying to make his Soviet-sponsored regime more palatable to Islamic fundamentalist guerrillas.

The 'Standoff Weapon' That Flies Low and Smart

From Launch To Target

- 1 Ship or submarine launches cruise missile loaded with small bombs. It uses inertial navigation system, which senses altitude, drift and speed through a gyroscope and other instruments, to reach land.
- 2 At landfall, missile begins correcting course by matching landmarks seen by its optical sensors against a detailed map in its computer.
- 3 Computer, checking map, can warn missile to climb to avoid mountains, or to alter course to go through a pass, or to make a sweep around a radar site.
- 4 Guidance system double-checks accuracy.
- 5 Missile makes a more refined check on its location, checks and adjusts for wind that would affect bombs' trajectory, and maneuvers into position to drop them. Computer program may also include evasive maneuvers, such as popping up and diving on target.
- 6 Missile takes last look at its position and rises or drops to the correct altitude to deliver bombs.
- 7 Bomb bay opens; bombs drop out.
- 8 Missile may travel on to two or three other targets, repeating position checks and maneuvers for each.



The New York Times. John Lennart

Cruise Missiles: A Wider Range and a Narrower Aim

By RICHARD HALLORAN

WASHINGTON

DURING a voyage off the Soviet Union's east coast last year, the battleship New Jersey and other ships simulated launching more than 300 cruise missiles at Soviet targets. With computers and crew drills, the battle group pretended to fire at the aircraft carrier Minsk and 26 other warships, at Soviet ports and airfields on the Sea of Japan, the Sea of Okhotsk and the Bering Sea, and at command posts, communication centers and munitions depots well inland.

Officers in the New Jersey battle group reported to Washington that they believed the Russians never detected their ships and, had the launchings been real, they would never have known what had hit them.

Cruise missiles, none of which have yet been fired in anger, are the most lethal of a new and potentially revolutionary category of arms called standoff weapons.

Basically, standoff weapons can be slung at a target from so far away that the launch platform, which could be a submarine, ship, airplane or ground base, is not exposed to fire from the target.

It is the ground-launched version of the cruise missile, along with the Pershing 2 medium-range ballistic

missile, that would be banned under the arms control treaty President Reagan and the Soviet leader, Mikhail S. Gorbachev, are scheduled to sign Tuesday.

But ground-launched types are but a small portion of the American arsenal of cruise missiles. Sea-based cruise missiles with conventional, high-explosive warheads are aboard American warships near the Persian Gulf today and could be used to destroy refineries, naval bases or military command centers in Iran. If the treaty takes effect, B-52 bombers carrying air-launched cruise missiles with nuclear warheads may go on alert in the United States to take up the deterrent role now played by ground-launched missiles in Western Europe.

The Soviet Union has sea-launched cruise missiles and is building air-launched versions, but they are not believed to be as accurate or consistent as those of the United States. The Russians have concentrated more on building and improving ballistic missiles of all ranges.

However launched, the Pentagon's cruise missile is a \$2-million flying torpedo with brains. It is powered by a small engine, its 20-foot frame kept aloft with stubby wings, and it finds its way with advanced navigation, keen sensors and a map programmed into its computer. Generally, these missiles can be fired 1,500 miles from a target and strike within 20 to 30 feet of it. The Navy has scored 64 hits in 76 test shots.

A cruise missile fired from a submarine off the coast of Newfoundland in Canada, for instance, could be programmed to cross the beach just north of Cape Ann, Mass., curve west to slip over the Berkshire Mountains, turn south along the Hudson River, pop up over the Palisades, glide between the goal posts at Giants Stadium in the Meadowlands and explode over the 50 yard line. The flight would take about an hour.

Because they fly just 30 or 40 feet above the ground, they are extremely difficult to track by radar. At 550 miles an hour, they move in and out of anti-aircraft missile range before gunners can fire at them. They can be instructed to attack from any direction. In short, defenses against cruise missiles are largely nonexistent.

Flying Farther, Hitting Closer

Under development are cruise missiles with a 3,000-mile range, double that of today's missiles; at least one has been fired from a submarine, though it is expected to take more than five years to produce operational versions.

A still more important development is a laser guidance system that will enable a missile to hit within inches of the target. The missile that can thread the goal posts today would be able to hit the crossbar tomorrow. That precision is not especially important for cruise missiles

armed with nuclear warheads, but pinpoint accuracy can make a missile with a nonnuclear warhead effective against many targets.

The Air Force has so far stuck with nuclear warheads. But the Navy is concentrating on cruise missiles with conventional warheads. This will most likely complicate future arms control negotiations, because only a specialist up close can tell the difference between a nuclear and a conventional cruise missile.

The Navy has been arming ships and submarines with Tomahawk cruise missiles since 1983; it began deploying them with conventional warheads two years later. By the end of the 1987 fiscal year Sept. 30, the Navy had bought 338 cruise missiles with nuclear warheads and almost 700 with conventional warheads. In the current fiscal year, the Navy plans to buy only 19 nuclear cruise missiles but 456 carrying high explosives.

The reason? Navy officers say the nuclear missiles aren't useful except as a deterrent, while those with high-explosive warheads may well be needed. One submarine armed with Tomahawk cruise missiles, they say, could have mounted the 1986 raid on Libya, which took dozens of Navy and Air Force planes, one of which was shot down.

"Cruise missiles," said one officer, "don't get pilots killed or captured."

Employment Is Up — Except on Wall Street

The Real Economy Is Still Looking Good

By LEONARD SILK

THE capitalist world last week continued to present a bewildering split-level scene.

On Wall Street, stocks were down and spirits were down even lower. As disheartening as a loss of wealth in one's portfolio may be, a loss of one's job is even worse, and the downtown caverns and taverns were crowded with brokers and salesmen who were newly unemployed or feared they would be as a result of crashes past or crashes to come.

But out in the country, from New England to California, it was business as usual. If the economy was not booming, it was still climbing at a slow pace. There were signs that Christmas sales were shaky, not stirring. But the latest word from the Labor Department was that civilian unemployment had fallen to 5.8 percent in November from 6 percent in October, showing a wave of hiring by employers after the stock market collapse. The number of payroll jobs outside farming rose by 274,000 in November, far more than was expected.

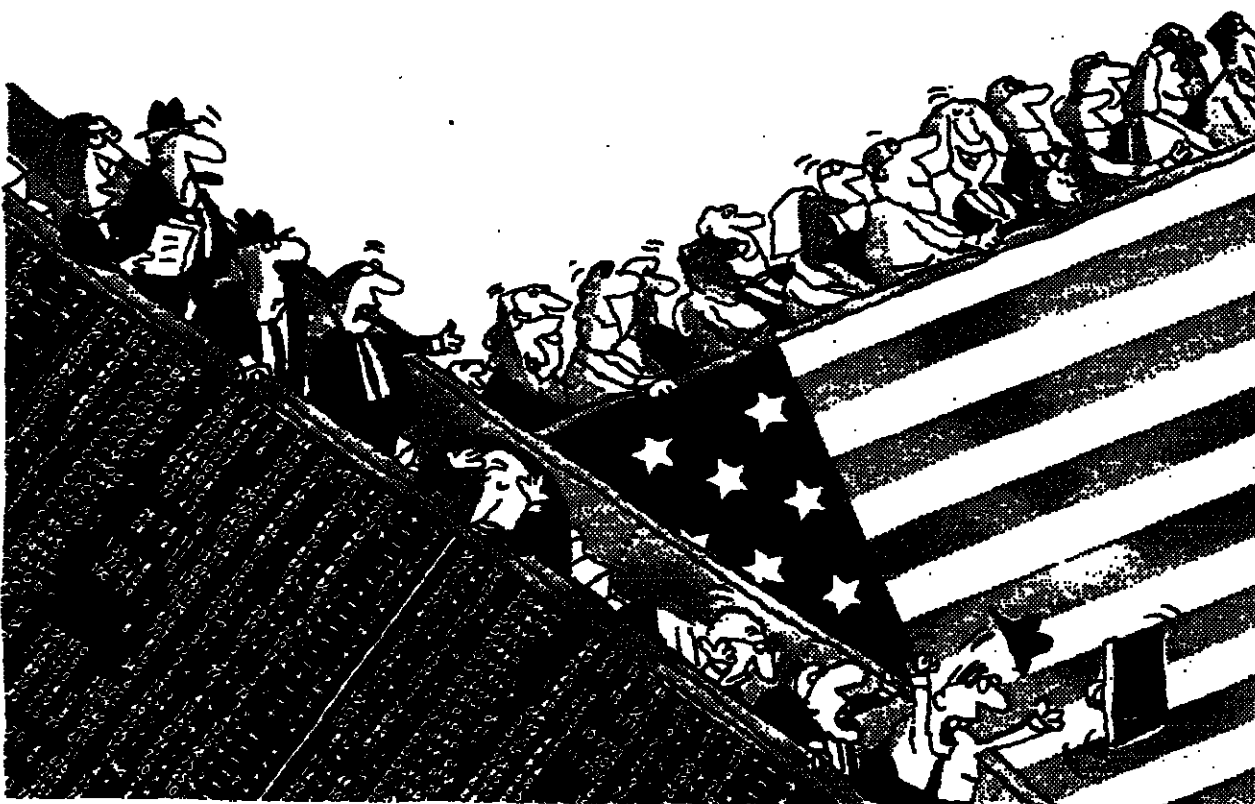
The big question is how long this split-level state between the depressed stock market and the rising economy can last. Will the gloom — not only in Wall Street but in financial markets in Frankfurt, Paris, London, Tokyo, Seoul, Hong Kong and other watering holes where investors have taken a bath — spread to, and drag down, the real economy? Or will the momentum of real economic growth and sustained corporate earnings continue and finally arrest and reverse the falling financial markets?

There are grounds for hope that the stock market, despite a 144 point drop in the Dow Jones industrial average last week, will soon stop falling. The hope is based on the trend of profits just before the stock market nose-dived. In the third quarter of this year, corporate earnings, before taxes, rose \$13.4 billion at an annual rate, and after-tax profits rose \$7 billion. The fall of the stock market has now brought the ratio between stock prices and earnings down close to its long-term average of about 12 times earnings. The pre-crash high was nearly twice that.

Whether the market braces will depend crucially on how much damage has already been done to the confidence of investors, consumers and business — and on what is done by the governments of the United States and the other major industrial countries to restore confidence and to keep the real economy rolling forward.

The key governments have been moving in the right direction, if too slowly and cautiously. Last week West Germany and its central bank, the Bundesbank, finally put together a package of fiscal and monetary measures aimed at stimulating growth both in their own economy and the broader international economy. It was a move long urged upon them by the United States but resisted on the ground that it might rekindle inflation.

The Germans acted at last out of fear of the falling financial markets and particularly of the danger that the dollar would plummet out of control. The Bundesbank



Nicolas Arcus

cut its most important interest rate half a point, to a historic low of 2.5 percent. And the Government announced that it would cut interest rates and expand the loans available from its reconstruction loan corporation by \$12.75 billion. Several lesser measures, including asking stores to stay open one night a week and employers to be more generous in wage negotiations, were also announced.

These steps did help stabilize the dollar but were shrugged off by the world financial markets as too little and too late.

Nevertheless, the German actions, and other European countries' following on with interest rate cuts of their own, were praised in Washington, though with faint damns. Treasury Secretary James A. Baker is still pressing the Germans for further expansionary actions, especially an accelerated tax reduction package.

There is greater satisfaction in Washington and

other capitals over what Japan is doing to spur its economy. Late last summer, the Japanese Cabinet called for Government spending of \$221 billion, or 1.8 percent more than was called for in the original budget for the current year. In response to international and domestic pressures for more expansionary policies, Tokyo raised outlays by \$13.9 billion, part of a \$40 billion spending package, and authorized a tax cut worth \$8.7 billion.

The Japanese stimulants seem to be having quick results after several years of sluggish growth. Last week, the Government reported that the Japanese economy grew at a remarkably robust annual rate of 8.4 percent in the third quarter, the largest gain in three and a half years.

Michel Camdessus, the managing director of the International Monetary Fund, told a news conference in Tokyo: "Japan is behaving very well. I think policy makers here and abroad have every reason to be satis-

fied, and we have every reason to congratulate them." He added: "Our recommendations for economic policy in Japan in the very short term are very simple: please maintain your economy on its present course of sustained noninflationary growth."

But the International Monetary Fund, the Japanese, the Germans and just about everybody else have less reason for satisfaction with the course of United States economic policy, especially Washington's failure to put together a budget plan that would improve expectations of a shrinking budget deficit and trade deficit, and thereby hold forth hopes of an end to the falling dollar.

Congress and the White House have put together a budget compromise, which is supposed to bring down the deficit by about \$30 billion in the current fiscal year and another \$45 billion in 1989. Not only foreign governments but also American securities firms have pook-pooked the budget-cutting actions.

T. Rowe Price Associates Inc., a huge manager of mutual funds, said: "In another bizarre chapter in American fiscal policy, Congress is on the verge of adopting a tiny budget package that appears to please no one but avoids the ignominy of no package at all." The deal, T. Rowe Price said, involves "less than 1.5 percent in spending cuts, less than 1.5 percent in additional revenues and asset sales of \$5 billion."

Shrinking Gains

Even these deficit trims seemed to be in process of shrinking. With some tax increases eliminated because the President opposed them, the Senate Finance Committee approved a \$9 billion package, including 18 tax law changes that would affect mainly businesses and higher-income taxpayers.

Even friends of the Administration are holding their noses. Lawrence Kudlow, former chief economist of the Office of Management and Budget and now chief economist of the securities dealer, Bear Stearns Companies, warned that "the \$9 billion in so-called 'hard tax' increases will be very hard to achieve," and that the budget compromise has "a number of one-time savings and gimmicks which will not re-occur."

Some economists are nervous that shrinking the deficit now would put dangerous downward pressures on the weakened national economy. But a majority believe that a carefully staged long-term plan to reduce the United States deficit while other countries are spurring their growth would clear the path for an easier American monetary policy. And that would bring down interest rates, strengthen the economy's growth and buttress the stock and bond markets.

A strengthening of confidence that the United States has the will to set its own affairs in order would also help to sustain faith in the dollar and keep foreign capital flowing to this country in a period in which sizable trade deficits are likely to continue. It is the lack of faith in the leadership, present or prospective, in Congress as well as the White House, that appears to be weighing so heavily on the financial markets here and abroad.

The candidate who proves that he has the character and program to dispel that loss of confidence is highly likely to be the next President of the United States. The immediate question is whether the nation and the world will wait that long.

FILM

For Woody Allen, 60 Days Hath 'September'

By ERIC LAX

After Woody Allen watched the first version of "September," his new film opening Dec. 18, he went out and filmed it all over again — rethought, rewritten and, because time, tide and actors wait for no man, substantially recast.

While this may seem an oddity to many, it was perfectly natural to Mr. Allen, who says, "I usually reshoot tons of material," and adds perfectly calmly, "The fact is, I'd like to shoot 'September' a third time."

If a horse player were to describe "September," he would say it is by "Hannah and Her Sisters" out of "Interiors." It centers on the wishful or actual relationships of six people in a summer house: a mother (Elaine Stritch) and her daughter (Mia Farrow), with a traumatic past that has caused great bitterness; the daughter's best friend (Dianne Wiest), whose own life is in turmoil and who has come for a visit; an advertising copywriter with aspirations of writing a book who has rented the guest house on the property (Sam Waterston); an older neighbor who yearns for the daughter (Denholm Elliott); and the mother's present husband, an earthy physicist (Jack Warden). A true screen play, the film takes place entirely in the house.

"I've always wanted to make some chamber pieces with a small cast in one location, and one way to do that is to work in play form deliberately," Mr. Allen said recently. Unlike plays that are written for the stage and then adapted for film, often with less than satisfactory results, "September," Mr. Allen said, is, "I hope, not stagey, because it was conceived for film. It was shot as a film is shot. The perspective of the audience is forever changing, whereas in a play it can't, and the camera can come in very close and can change a number of times within the same shot. These are the standard tools of a movie. Also, this film never has to live up to any success it had on the stage or any of the practicalities of the stage."

The story is a drama with flashes of comedy that spring from the characters' personalities. If that and the action taking place in the country sound reminiscent of, say, Chekhov or Turgenev, it is not completely unintentional, even though a summer house is an unlikely spot for Mr. Allen's attention. He is well-known as the quintessential New Yorker who

feels there is quite enough nature in Central Park and that trips to the country should be avoided if possible and kept brief if necessary ("The crickets make me nervous," he said some years ago). But Miss Farrow, the mother of eight and his companion of seven years, owns a home in Connecticut.

"She's forever trying to get me to go up there and enjoy it and I always have a hard time enjoying the country," he said with a small laugh. "One day we were strolling around her place and she said, 'This would make a great setting for a little Russian play or something. It's just so perfect. It would be fun to shoot up here. The kids would love it and you would have something to do all the time.' And I thought, what a Chekhovian atmosphere this is. It's a house on many acres, isolated by itself on a little piece of water. There are trees and a field here and a swing there. It suggested to me right away the kind of stories of Turgenev and Chekhov, which have a certain amount of comedy in them. It's not real comedy but, I guess, comedy of desperation and anxiety."

While Miss Farrow's country home was the inspiration for the setting, Mr. Allen said the story was one that "I had kicked around for years, that a traumatic incident will happen in one's life and there are kinds of personalities that just simply get wrecked by it and there are other kinds of personalities that it just washes off them. The interesting thing to me was not the incident itself, which is irrelevant to me and why I never bothered to show it in flashback or write the story about it. What was interesting to me was the long-term responses."

Although Miss Farrow came close to luring Mr. Allen into an extended stay in the country, other factors intervened. The most imposing, he said, was that "when it came down to actually scheduling the shooting, it would have brought us up there in winter, and the bare trees and the cold were not the feel I wanted."

Instead, Santo Loquasto, Mr. Allen's production designer for the past two films, conceived a set that brings the audience into the rooms of a summer place built on a soundstage. The outdoors is never seen. Rather, it is suggested by light or dark behind closed venetian blinds and by sound effects and references in the dialogue.

Originally, the actors were Miss Farrow as the daughter, Maureen

O'Sullivan (her actual mother) as the mother, and Dianne Wiest, Denholm Elliott (as the physicist-husband), and Charles Durning (as the neighbor). The writer was Christopher Walken, whom Mr. Allen calls "one of my favorite actors. I used him in 'Annie Hall' and was dying to use him again. I think he's a great, inspired actor." But as sometimes happens between directors and actors, Mr. Allen said, after a few weeks of shoot-

just over \$10 million; a fairly modest price by today's standards.

"Interestingly enough, it's not all that different from what I usually do," Mr. Allen explained. "In this case there were a number of speeches that I wanted to move quicker and faster, and I wanted to bring the tension in earlier. The way I shoot in general, I tend to make long master



Jack Warden, Elaine Stritch, the director and Mia Farrow at work

ing, "We couldn't get copacetic on what to do and decided that instead of his making concessions and my making concessions, we'd work on something else down the line." So Sam Shepard was brought on, and in 10 weeks the film was done. Sort of.

Mr. Allen's penchant for reshooting scenes is so integral a part of his creative process that extra weeks for reshoots are budgeted into every film. Even entirely redoing "September," he managed to come in only about 20 percent over budget, a cost borne in part by him. "There is hardly a film ever where I don't have to dip into my fees," he said. And as for the seeming magnitude of reshooting an entire film, he shrugged and said, "There are films I have re-shot half of, like 'The Purple Rose of Cairo,' that were more expensive." The final cost of "September" was

scenes and do very little cutting between characters. For instance, let's say the whole first act consists of 15 shots. You could also have made 115. It's a matter of individual style.

So, if you're somebody who does a lot of cutting and one performance has a little mistake in it, you can cut to other people and fix things. But if you're shooting a five minute scene and there's just the master, if only one sentence is wrong, or one performance goes a little untrue in the middle of one scene, then you have to do the whole thing over again because there's no way to save yourself with fancy editing.

and it cost us nothing to go back and use it again."

So Elaine Stritch replaced Miss O'Sullivan. Mr. Allen says each gave a strong but different performance. "Maureen, because she's older, was more vulnerable where Elaine was more in charge. But both were good and that's why this could be played on stage in different ways. Mia is a real actress who can do anything. In the same year, she played that silly cigarette girl in 'Radio Days' and then this. She was solid as a rock throughout and played her role the same with both."

Mr. Elliott, who was the mother's

physicist husband, assumed Mr. Durning's role as the neighbor. Jack Warden became the physicist, a kind of slightly-off casting that Mr. Allen liked because "I've met some physicists and not all of them are these guys with steel-rimmed glasses and elongated foreheads but instead are cigar-smoking guys in leisure suits, and they're absolutely brilliant."

And Sam Waterston replaced Mr. Shepard as the aspiring writer. This necessitated rewriting the character, Mr. Allen said, because "Sam Shepard's quality is that of a kind of inarticulate, attractive loner from the plains, whereas Sam Waterston has a more Eastern, Boston quality."

Mr. Waterston, who also appeared in "Interiors" and "Hannah," is prized by Mr. Allen because of his ability to play "a regular man. In America, we have these very, very special kinds of people as actors. Robert De Niro is very special. He's one of the greatest actors in the world and so is Jack Nicholson. These guys have very special qualities. But to find a very fine actor who can play a simple advertising writer is a very, very tough thing. We have some in the United States. I think George C. Scott is a great actor who can be believable just as a regular man. He doesn't have to be sexy or a gunfighter. I think Dustin Hoffman is so gifted and he's a wonderful comic actor, too. But Sam is someone I've relied on at times for a guy next door, a regular, recognizable human being who is not a cowboy and you don't get the feeling that he carries a gun or beats up people. Our tradition for male actors is that they're heroes: John Wayne and Humphrey Bogart and Jimmy Cagney."

"Much is always made that I'm doing a serious film, like it's a big strange thing," Mr. Allen said. "I think this is my 17th film [actually he is filming his 17th], and I plan on continuing to work in films and making many different kinds. I'm currently working on another serious film. I'd like to make a number of them and a number of comedies and a musical film at some point and a jazz film. I can never bear seeing a headline like, 'Woody Dying to Be Taken Seriously.' It misses the point entirely. I don't want to be taken seriously. I have been taken seriously. The comic films are taken quite seriously. It isn't that. Certain ideas occur to me that are not comic and that's the long and the short of it. I don't sit home wanting to play Hamlet or wanting to be taken seriously. I just want to feel free to create any kind of work that occurs to me and do my best on it."

Eric Lax has been writing about Woody Allen and his films for 16 years.

French Film Industry Faces a 'Crisis'

By STEVEN GREENHOUSE

At first glance, it is hard to understand why the French film industry is so worried. This year, Louis Malle's "Au Revoir les Enfants" won top prize at the Venice Film Festival and Maurice Pialat's "Sous le Soleil de Satan" took first place at Cannes. On the other side of the Atlantic, Claude Berri's epic "Jean de Florette" is going strong in New York art houses, and in the ultimate form of flattery, Touchstone Pictures has just remade the French hit comedy "Three Men and a Cradle."

What is more, how many countries can boast of a pantheon of directors that includes Eric Rohmer, Louis Malle, Jean-Luc Godard, Bertrand Tavernier and Alain Resnais?

Nonetheless, all that French film makers seem to be talking about nowadays is "the crisis."

A few statistics tell the story. In 1986, 163 million people went to the movies in France. So far this year, attendance is 20 percent lower. As a result, individuals in the film industry are predicting that within three years, up to 30 percent of France's movie houses will be forced to close. The number of French films in production is down 20 percent from three years ago, from 160 movies in 1984 to 120 this year. And last year, for the first time, more French moviegoers went to see American films than French films.

There seem to be as many reasons for France's film crisis as there are French filmmakers. The number of television stations here has doubled from three to six since 1984. The number of movies aired has doubled, too — viewers know they can wait just a year after a film comes out to see it on television. In addition, Canal Plus, France's first cable television network, began operations in 1984, specializing in movies of all kinds.

Some film industry figures say last year's terrorist bombings in Paris persuaded many moviegoers to stay home. Others blame the high cost of tickets — often more than \$6.50 — and dissatisfaction with the tiny screens in France's many multiplex cinemas.

But according to some industry of-

ficials, there is one overriding reason why the French cinema has taken ill: Its films are not good enough. Sure, every year or two, there is a solid Malle film, a good Rohmer, a fascinating Godard, but what about the other hundreds of French movies? Most of them never make it across the Atlantic for obvious reasons.

"The films being made are just often not good enough to attract people to movie theaters," said René Bonnell, director of film programming for Canal Plus, France's thriving cable network. "Today's films are not different enough from what's being offered on TV."

France's film industry is divided into two halves — commercial film makers and "art" film makers — and although the two sides rarely agree, they concur about the seriousness of the crisis. The commercial movie makers worry that the decline in attendance means that the dozens of comedies and police thrillers that used to eke out a profit will lose money. Since no one wants to make films that lose money, this means fewer films will be made.

The art-film makers, while confident that they will keep their loyal audience, worry that the drop in overall attendance will make it harder for them to find financing. When the commercial side was thriving, it was easier for investors to give some of their francs to less mainstream projects.

French producers scrounge their financing from distributors, television stations, tax-shelter investors and the Government. Movie distributors have traditionally been a major source of funding for French films, but as they hit hard times that source has been rapidly drying up. At the same time, the Government is doling out less money for films. The television channels are filling the void. More than ever before, they are calling the shots on which films get made and which don't get made.

"TV wants proven films, without problems, with stars and very facile story lines," said Anne Andreu, film writer for L'Evenement du Jeudi, a French news weekly. "It's all very worrisome."

Patrick Brion, director of film programming for France's Channel 3 television network, says one big prob-

lem with French cinema is what is often called "nourriture" — a derivative term that translates into "fascination with one's bellybutton." In his view, too many French films are self-centered and fail to look at what is happening in the world.

Perhaps the biggest fear is that the crisis will make it harder for France to produce the young film makers who will replace the Truffauts and Godards. Many film buffs fear that France will soon have a problem in passing the baton to a younger generation since Francois Truffaut died in 1984, while Mr. Rohmer is 67, Mr. Resnais is 65, Mr. Godard is 57 and Mr. Malle is 55.

Indeed, a constant refrain here is, Why hasn't France produced any Wunderkind, like Steven Spielberg, Francis Coppola or George Lucas to regenerate its cinema? It seems that some young directors, such as Diane Kurys ("Peppermint Soda") and Jean-Jacques Beineix ("Diva") have each produced one hit film, but they have yet to put together a skein of commercial successes.

French cinema also lacks stars. The French used to stampede to see any film starring Jean-Paul Belmondo, Alain Delon or Lino Ventura. But nowadays Mr. Belmondo and Mr. Delon are making Grade B films, and Mr. Ventura died in October. Catherine Deneuve, Yves Montand and Isabelle Adjani still have lots of fans, but they are making fewer films than in the past. Only Gerard Depardieu, who stars in "Jean de Florette," seems to be breaking in the crowds.

In response to the question of why France has no Spielbergs, one often hears the refrain that it is because the distributors and television chains, more scared than ever of taking risks, do not want to place a bet on a relative unknown. Moreover, young directors complain that when they piece together financing, it is usually not enough to make a film that will feature stars and woo the crowds.

But Marin Karmitz, the producer for "Au Revoir les Enfants," is optimistic. "You don't need a lot of money to make a terrific film," he said. "If young French directors have limited money, they'll just have to be more daring and resourceful," he continued. "France has to be the Silicon Valley of the film industry."

Start Making Tarts

BY ERNST THEIMER/Puzzles Edited by Eugene T. Maleska

ACROSS	1 CUTTING	9 Incensed	14 Gushes	20 An S.S.R. language	21 Calyx leaf	22 Caddoan Indian	23 Pertinent part of the "Gloria Patri"	26 Halloween option	27 Popular drink	28 Duel memento	29 Middling	30 Causes resentment	32 Waste allowance	34 Brandish	38 NAUTICAL CHAIN	39 Venerable	42 Make effervescent	47 Wagnerian goddess	48 GAZE	FIXEDLY	50 Ark numbers	52 Roof edges	53 SHINY	METAL PLATES	55 Decorated	58 Binds	59 Nap-producing plants	60 Odes and such	61 Shine	63 GLUTINOUS SUBSTANCE	65 Changed the hue	66 State positively	70 Resistance to change	73 Some moths	74 Inexpensive tires	76 Item	78 Foot lever	79 Fashions	81 Mercenary	86 Partners of haws	87 Domesticates	89 Important court action	90 Vacant	92 Buffalo's county	93 Recoils	95 WISE	96 Like a clarinet	100 HAVE	DINNER	101 Celebes oxen	102 Globule	104 HASTEN	107 Crime boss	111 Goddess of discord	113 Jannings or Ludwig	114 Giant grass	118 Pertinent words from La Fontaine's "Fables"	123 FRIGHTENS	124 Atka native	126 Wrong	127 Slightly daft	128 Autobahnen	13 Negative particle	14 SEEK TO ATTAIN	15 Cooking utensil	16 PLANTED	17 Mussel genus	18 ACTRESS ANNA	19 Utah state flower	24 Nick from Omaha	25 Needlefish	31 Province of Mozambique	33 NICE HOT TIME	34 Sobbed	35 Dies	36 Writer Ferber	37 DROSS	40 EXPLORER	41 Distorted	43 AU	POTATOES	44 Fly a plane	45 Wobble	46 TAXED	DIAL	48 Warning device	49 Rhone tributary	51 DANISH WEIGHTS	54 Looked askance	56 Humiliate	57 Sine die	60 Fasten	62 Assimilate	64 "My country"	65 A GERSHWIN	Imogene	66 Garfield's follower	67 Placid	68 Addison's co-author	69 Rubbed out	71 Lock	72 POSE	75 PARADISE	77 Photographer's word	79 Mangle	80 ALASKAN CITY	82 Peruse	83 Shakespearean villain	84 On the briny	85 Headland	88 Figurative	89 GRAPHIC	ARTS TOOL	91 Spread hay	94 Damp and hot	97 Stylish	99 Frosts, as a windshield	101 Respiratory disorder	103 ROCKY PEAK	105 Friendship	106 Helicopter part	107 Comedienne Imogene	108 CAPITAL OF YEMEN	109 Saucy	110 CITY OF SEVEN HILLS	112 Alone	115 EARLY IRISH TENANT	116 Oolong and pekoe	117 Grafted, in heraldry	119 EUR. COUNTRY	120 SINGLE	121 Decay	122 Study
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ANSWER TO PREVIOUS PUZZLE

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The New York Times

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When to Climb to the Summit

Soviet-American relations could be entering a new, productive phase. Economic problems impel both sides toward restraint in military spending and foreign adventures, and toward exploration of new possibilities — like regular summit meetings.

President Reagan and Mikhail Gorbachev would do well to give their blessing to the process they've already followed in practice: institutionalization of wide-ranging sessions between their foreign ministers and other top advisers, leading to a summit meeting every 12 to 18 months.

Summit meetings have been held, episodically, since 1955, with varied purposes and results. Critics of summitry argue that most of them achieved little or nothing, and that Presidents, operating in a democracy, have come under far greater pressure to make concessions. If that's right, then why hold summit meetings, and why regularize them?

It's far from clear that American leaders found themselves under more pressure than their Soviet counterparts. The acid test is whether Presidents gave more than they got. Perhaps Richard Nixon settled too many strategic arms issues too quickly in Moscow in 1972 so he could sign the SALT I treaty there. Otherwise, the overall record looks about even. As for the future, Mr. Gorbachev seems eager for results that can free him to concentrate on domestic issues.

Nor is pressure all bad. Summits force leaders to concentrate on the issues and shake loose those compromises stalled by bureaucratic infighting. That's all to the good. And if it's true that summits produce excessive pressure for success, that has a lot to do with their irregularity. Regularizing meetings would deflate the circus atmosphere.

Some summits brought dangerous miscalculations. These, however, were not the fault of summitry but of poor thought and preparation. Regular meetings would make the participants more familiar with the issues and with one another. U.S. and Soviet negotiators probably spent more time and effort jockeying over where, when and under what terms to meet than preparing for the substance of this week's meetings. Regular summits would eliminate such unproductive sparring.

If most Soviet-American summit meetings have failed to achieve concrete results, the real reason is lack of genuine common interests. If neither side has much incentive to compromise, propagandistic proposals, like general and complete disarmament, are inevitable. Now, however, economic difficulties and perhaps political maturity create

Superpower Meetings

Geneva, 1955	Assessment
Eisenhower, Khrushchev discuss disarmament, German unification, NATO.	Useful general exchange.
Camp David, 1959	
Eisenhower, Khrushchev discuss nuclear test ban, disarmament, Berlin, trade and credits.	Good spirit, limited success.
Paris, 1960	
Eisenhower, Khrushchev trade charges over U-2 spy plane. Talks collapse.	Major setback.
Vienna, 1961	
Kennedy, Khrushchev discuss nuclear test ban, disarmament, Germany, Laos.	Risky misperceptions form.
Glassboro, N.J., 1967	
Nixon, Khrushchev discuss the SALT I treaty, Vietnam, nonproliferation and the Moscow ABM system.	Useful exchange.
Moscow, 1972	
Nixon, Brezhnev sign ABM and SALT I agreements.	Concrete results.
Washington/San Clemente, 1973	
Nixon, Brezhnev fail to agree on ceilings for strategic launchers and MIRVs, but sign other agreements.	General progress made.
Moscow, 1974	
Nixon, Brezhnev sign protocol agreement on ABM treaty and treaty to limit underground nuclear tests.	More slow progress.
Vladivostok, 1974	
Ford, Brezhnev discuss strategic arms and European forces; sign joint statement resuming SALT talks.	Breakthrough on arms.
Vienna, 1979	
Carter, Brezhnev sign SALT II treaty and discuss nuclear test ban.	Brezhnev ailing.
Geneva, 1985	
Reagan, Gorbachev discuss SALT II, INF, nonproliferation and chemical weapons, agree to more meetings.	Useful personal contact.
Reykjavik, 1986	
Reagan, Gorbachev discuss deep nuclear weapons cuts but fail to agree.	Undisciplined and disruptive.

opportunities to resolve or lessen conflicts. Mr. Reagan, in his last year of office and with his own reasons for summits, cannot commit his successor to a set schedule of meetings. But he and Mr. Gorbachev can demonstrate, in Washington and in Moscow next year, that the idea works.

An Untimely Idea for Social Security

What a strange time for Otis Bowen, Secretary of Health and Human Services, to float his new Social Security balloon. Just days ago, Congressional and White House negotiators gave up trying to cap automatic cost-of-living increases in Social Security benefits. That's one reason the deficit-reduction package that Congress will struggle with this week is a mouse, or worse. Without some way to hold down payments to middle- and upper-income retirees, the burden of deficit reduction may end up falling too heavily on programs for poor people.

Yet now, Dr. Bowen dares to propose liberalizing Social Security benefits by dropping the limits on payments to those who work past age 65. Why? It's tempting to dismiss the proposal as political opportunism. Dr. Bowen's own leaked memo unsubtly observed that repeal would be "popular among the elderly." Still, it is not wrong to encourage willing older adults to remain in the work force. The idea makes sense, however, only in the context of reforms in Social Security as a whole.

Workers between 65 and 70 may now earn about \$8,000 a year without losing Social Security benefits. For every additional dollar earned, benefits are cut 50 cents. This limit fits the original intent of the system, targeting benefits toward older Americans of modest means.

Today, however, the rule is rightly criticized as unfair and inefficient. It's unfair because there is no

such reduction for so-called unearned income from investments. Thus a coupon-clipping retiree with, say, \$20,000 interest and \$5,000 in Social Security benefits would keep the whole \$5,000. But a 65-year-old neighbor with the same \$5,000 benefit who keeps a \$20,000-a-year job would lose the whole benefit. In fact, such a worker would have to pay additional Social Security taxes.

One remedy would be to treat investment income like earned income in the calculation of benefits. But that would only encourage further dependence on Government, reducing incentives for younger workers to save for retirement. Then why not simply dump the earned-income test?

According to Dr. Bowen, eliminating what amounts to an extra 50 percent tax on older earners' income would increase the Federal deficit by more than \$7 billion over the next five years. That's not the only way to put \$7 billion to fruitful use. And it is a particularly unseemly way to spend Federal resources given the budget negotiators' cowardly failure to ask middle-income retirees to give up a penny in Social Security increases.

Most likely, the Bowen proposal is an election-year throwaway calculated to improve the image of Republican legislators. Too bad, because it could be part of an intelligent program to rationalize the incredibly valuable — and incredibly expensive — Social Security system.

Olympic Imprecision

The Charter of the Olympic Games states clearly that "the use of the [Olympic] emblem for advertising alcoholic beverages is strictly prohibited." So it seemed newsworthy when Canada's own Labatt's beer became an official sponsor of the upcoming Winter Games in Calgary, and the familiar five-ring emblem began appearing on Labatt's cans.

Alas, the report of this *petite scandale* failed to note that the International Olympic Committee had also licensed Anheuser-Busch, brewers of Budweiser and sponsors of the 1984 Summer Games in Los Angeles. This casual disregard of rules isn't just a decadent capitalist dodge: a Yugoslav brewer sponsored the 1984 Winter Games in Sarajevo.

The Canadian member of the international committee told The Toronto Globe and Mail that the Olympic overlords ruled some time ago that regular beer and wine were not alcoholic beverages. "The only bad stuff is distilled spirits," he said; sponsorship by "anything where your kidneys give out before your brain" is O.K.

Perhaps the Olympians aren't aware that a can of beer or a glass of wine contains just as much alcohol as a standard mixed drink. But the committee's imprecision is no surprise; they are the same bunch who can't tell the difference between amateur and professional athletes.

Topics of The Times

Campaign Reform Sabotage

Mayor Koch's sound proposal for public financing of New York City election campaigns would reduce the distorting effect of big political contributions, setting a model for Albany and the country. But a small-minded power grab by the City Council now jeopardizes approval.

The Koch bill would set reasonable limits on spending and individual campaign contributions for all candidates who accept public funds. It would apply in races for mayor, Council president, comptroller, borough president and Council. Gifts to mayoral candidates would be capped at a sensible \$3,750, instead of the present sky-high \$50,000.

Most Council members see the need to include Council races. But some would turn the measure into an incumbency protection act by setting unduly low spending limits for Council candidates. Councilman Arthur Katzman, who heads the committee on government operations, says he will reduce by half the proposed spending limits for Council races. That would leave only \$50,000 for primaries and \$40,000 for general elections, hardly enough to mount a serious campaign against an entrenched incumbent.

Supporters of the cuts note that spending on Council races rarely exceeds \$20,000. That's because so few races are contested, a situation that stymies limits would perpetuate. Mayor Koch rightly refuses to comply. It's now up to Peter Vallone, the majority leader, to persuade his colleagues to keep Council elections open to fair competition.

Letters

In a Risky World, Teen-Agers Get Reckless

To the Editor:

The grim statistics reported in recent research on adolescent risk-taking (Science Times, Nov. 24) have validated what many believe: teen-agers are dangerously reckless; their death rate has increased; they are unable to perceive risk. Researchers pinpoint hormones and peer pressure as major causes; education, they say, has been largely ineffective.

If a significant portion is hormonal, and if education in these areas is ineffective, then what is to be done? The answer may lie in an area not covered by this research: the role of external stimulation (society, the world) on the specific hormonal structure investigated.

These hormones existed 30 or 40 years ago. But the problems investigated certainly did not exist to the degree that they do now. The differences point to differences in society. Educational programs notwithstanding (on sex, substance abuse, driving, etc.), most of today's teen-agers recognize and respond to the values of today's society.

What teen-agers see and hear in this age of mass communication — the violence, the sexuality, emphasis on the material, corruption — seems to be stimulating something in them.

I sense also a loss of belief or faith by adolescents in the very permanence of the planet. They are affected by the general knowledge that the actions of humankind (ecological and political) could entirely destroy us. There is a consequent bizarre reaction, similar to that of people during the plague of the 14th century. The adolescent superego (conscience or sense of restraint) seems to be diminished by a sense that order and abstract justice are nonexistent, that no

system of moral consequence is at work in the universe. William Butler Yeats sums it up for me:

*Things fall apart; the center cannot hold;
Mere anarchy is loosed upon the world.*

Most adolescents may not know this poem, but its message is certainly being delivered to their hormones.

LESTER SPEISER
Franklin Square, L.I., Nov. 25, 1987

Speeding, Not Drinking

To the Editor:

Jerry Steinman's letter ("Age-21 Laws Backfired," Nov. 27) draws several inferences that are not consistent with the facts or our observations. He presumes an increase in drinking by teen-agers after most states had enacted "age 21" laws because alcohol-related highway deaths of young people increased in 1986.

Actually, police officials are attributing the increased deaths, whether or not alcohol-related, to widespread speeding. And since a number of states have increased some speed limits to 65 miles per hour this year, we can expect another increase in fatalities for 1987.

That some teen-agers obtain alcohol should be a challenge to education and enforcement, not a cause for legalizing a practice that can kill them, maim them or ruin their lives through alcoholism. Teen-agers also manage to obtain narcotics, yet few observers seriously suggest making street drugs legally available.

To hear of 3,540 young lives destroyed by drunk driving in 1986 is an occasion for sadness. But to go back to the days of 1982, before "age 21" when 4,135 were killed — and then

multiply the deaths by a 65 m.p.h. speed limit — would be unconscionable.

FLORENCE NASS

Teaneck, N.J., Nov. 27, 1987

The writer heads Bergen County Mothers Against Drunk Driving.

Wrong Message

To the Editor:

Under a veneer of sophistication about sex, today's teen-agers hide some of the same doubts as previous generations. They are intrigued and compelled, yet fearful. Adolescents often experience confusion and denial about new sexual feelings. With this in mind, I was dismayed by a sample of a new New York City AIDS-prevention campaign on television the other night. Through a blurred lens, it showed a teen-age boy writhing in agony and covered with lesions. A stern voice-over warned of the punishment of "asking for AIDS."

Are we acting responsibly by throwing hellish images in the face of young people without addressing their fears about sex in general, and without discussing the positive, communicative aspects of sex? Abstinence may well prevent acquired immune deficiency syndrome; but images that play upon feelings of shame, transgression and punishment may only lead to further self-destructive acts on the part of young people.

BRUCE BENDERSON
New York, Nov. 11, 1987

Save the Family

To the Editor:

As a prime architect of the bipartisan compromise family and medical leave bill recently approved by the House of Representatives Education and Labor Committee, I share the conclusion of Edward F. Zigler and Rita E. Watson ("Business Myopia About Children," Op-Ed, Nov. 19) that "A business community concerned about the future must support and nurture the nation's most valuable resource — its children." However, I would take it a step farther:

A society concerned about the future must preserve and protect its most valuable institution — the family. A workable family and medical leave policy that provides reasonable job security is a bedrock family issue.

As Republican vice chairman of the House Labor-Management Relations Subcommittee, I have listened to hours of testimony on this subject, pro and con. I have studied volumes of data. The facts are persuasive. The majority of women with children work outside the home, and they are working because of economic pressures. They are not getting rich. They are getting by. Two-worker families, which must juggle the demands of work and parenthood, make up the majority of the work force.

Added to these demands are those of the aging population. Those older than 75 comprise the fastest growing segment of society. To control health-care costs, the elderly are being released from hospitals earlier for care at home. Hospitals and nursing homes are costly. Doesn't it make sense to help families with sick, dependent parents or with other serious medical crises by saying, "Yes, your position will be here if you need a short period of time away from your job to care for a family member?"

I believe the American people have answered "yes" to that question. Poll after poll indicates overwhelming support for the idea of the job security and peace of mind that a family-leave policy would provide.

The Committee for Economic Development and other business groups have steered clear of the family and medical-leave debate, citing the potential economic burdens of such a policy. But clearly, the economic and social strains on the family in American society today alarm all segments of the community. The business community has a vested interest in preserving and protecting the nucleus of our civilization: the family.

MARGE ROUKEMA
Member of Congress, 6th Dist. N.J.
Washington, Nov. 19, 1987

If the Turkey Had Been the National Bird

To the Editor:

In "Turkey Scouts and Mr. Franklin," your Thanksgiving editorial (Nov. 26), you miss the point of Benjamin Franklin's argument for making the turkey our national symbol by so wide a mark you would come home from a turkey shoot empty-handed.

In your defense of the eagle, you correctly point out that the eagle "has inspired man since the Stone Age," and that "the banners of the Caesars, Charlemagne and Napoleon were emblazoned with eagles." Why leave out Hitler and Mussolini? Did primitive man or any of these "heroes" you mention symbolize Franklin's utopian vision of America, a vision of tolerance, decency, democracy, the sanctity of individual human rights? That the eagle was the symbol of these mischief makers was precisely why Franklin objected to it for America. He was not fooled by the magnificent and grand appearance of birds, kings, emperors or tyrants.

In "Poor Richard's Almanack" (1748), Franklin wrote of his distaste for your heroes (hero, as used, he wrote, "in the language of poets and orators"):

"There are three great destroyers of mankind, Plague, Famine and Hero. Plague and Famine destroy your persons only, and leave your goods to your heirs; but Hero, when he comes, takes life and goods together; his business and glory it is to destroy man and the works of man.

In horrid grandeur haughty Hero reigns,
And thrives on mankind's miseries and pains.
What slaughtered hosts! What cities in a blaze!
What wasted countries! and what crimson seas!
With orphans tears his impious bowl o'erflows;
And cries of kingdoms lull him to repose.

"Hero, therefore, is the worst of the three; and thence David, who understood well the effects of heroism, when he had his choice, wisely pitched on Plague as the milder mis-



chief" (Story in II Samuel, 24:12-15). Heroes live by destroying the lives, liberties and estates of people. Eagles are their avian counterpart. But though the Meleagris gallopavo (wild turkey) may be a "little vain and silly," it forages for its own food and builds its own nests, rather than steal the work products of other birds.

As for "perversion of the language," if Franklin had argued his position more energetically, being labeled an eagle anything (scout or otherwise) might be the downer today, not turkey; and a turkey farm might be the setting for an Orwellian allegory.

BRUCE J. WIGO

Guttenberg, N.J., Nov. 27, 1987

Consider the Rattler

To the Editor:

Concerning "Turkey Scouts and Mr. Franklin": while Jefferson held out for the eagle, Christopher Gadsden of South Carolina advocated the rattlesnake as our national symbol.

At the revolution the rattler was very familiar to all but urban populations. It was deadly, fast of action and attacked only when provoked.

Several American naval vessels flew the famous design with the rattlesnake and the motto "Don't Tread on Me."

WALTER H. JACOBS
Niantic, Conn., Nov. 26, 1987

How to Make Social Security Adjustment Fair

To the Editor:

By law, cost-of-living adjustments are awarded Social Security beneficiaries as a percentage of the monthly Social Security benefit — the larger adjustments going to those with the larger benefits. Most beneficiaries receive back all of their contributions, adjusted for inflation, as benefits within the first three years of entitlement, some in less than a year.

The beneficiary with an \$800-a-month benefit entitlement continues getting \$800 a month, plus a larger cost-of-living adjustment than those getting smaller benefits. Those getting the larger adjustments are generally much better off financially than the others.

I think more fairness would be brought into the system in the distribution of benefits and cost-of-living adjustments, if the law were changed so that those who receive the smaller benefits were to get the larger cost-of-living adjustments.

This can easily be done without changing the total amount of adjustments disbursed by the following formula: In each category of recipients (retired worker, spouse, disabled worker, surviving spouse, child), multiply the cost-of-living adjust-

ment percentage by twice the average monthly benefit in current payment status in that category, minus recipient's monthly benefit.

For example, assume a retired worker receives \$800 a month and the adjustment is 4.2 percent, and that the average monthly benefit in that category is \$500. Under the formula, the recipient would receive an adjustment amount equal to 4.2 percent times \$1,000 minus \$800, or \$84.00 a month. A recipient with a \$400 benefit would receive an adjustment amount equal to 4.2 percent times \$1,000 minus \$400, or \$25.20 a month.

Alternatively, give every recipient in each category the same amount of cost-of-living adjustment, based on the average monthly benefit in that category. I prefer the formula that gives the larger adjustment amounts to those who get the smaller benefits.

CHARLES F. MCLAUGHLIN
Philadelphia, Nov. 23, 1987

Credit-Card Shuffle

To the Editor:

Representative Charles E. Schumer's disclosure bill ("Credit Card Interest, Unmasked," editorial, Oct. 27) overlooks the disarmingly low minimum monthly payment options banks offer to foster carry-over balances. Generally, the minimum monthly payment is about 3 percent of the statement balance. On a \$2,000 balance the minimum payment is only \$60, of which \$30 or more represents the monthly interest charge.

Confirming the intent and effectiveness of low monthly payments in perpetuating credit-card balances, some banks now make available life insurance to cover outstanding balances.

Meaningful disclosure legislation should include clear monthly payment information and a statement: "Warning! Low monthly payments can induce chronic credit-card indebtedness."

FRANK J. CASO
Flushing, Queens, Nov. 12, 1987



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New York's Odd Antismoking Decision

By Lee Wasserman

The court ruling that New York State's Public Health Council exceeded its authority in setting rules for smoking in public was greeted with an indifference that is hard to comprehend.

It's not just that smokers will be allowed to continue fouling the air with carcinogens. More important, the New York State Court of Appeals decision eviscerated the traditional role administrative agencies play in protecting the public, based on broad grants of legislative authority.

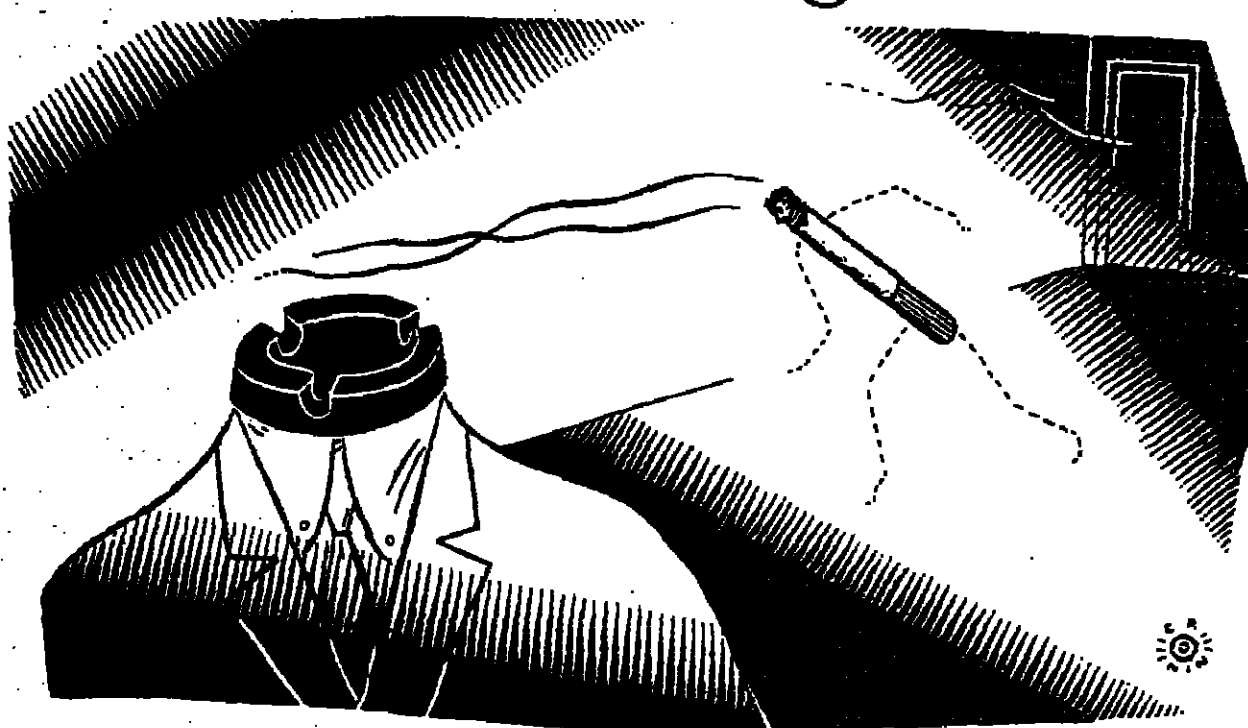
The Public Health Council, was granted authority by the Legislature 75 years ago to "deal with any matters affecting... the public health." After recent medical studies proved conclusively that second-hand smoke is hazardous and even deadly to the health of innocent nonsmokers, the council promulgated rules that prohibited smoking in indoor areas that are open to the public.

There was nothing extraordinary about the council's action. Congress and state legislatures have always set broad policy mandates, leaving it to agencies, as many courts have said, "to fill up the details."

The agencies' mandates in such areas as securities, drugs and environmental hazards, allow them to cope with matters that require special expertise or are not susceptible to quick legislative correction.

The Legislature created the Public Health Council in 1913, empowering it to adopt a sanitary code to preserve and improve public health. Since its creation, the council has issued regulations covering pesticides, X-rays, drinking water and human-blood collection and storage.

Lee Wasserman was associate counsel to the majority of the New York State Assembly from 1985 to 1987.



In past challenges to the Public Health Council's authority, the Court of Appeals has affirmed that the degree of authority granted the council was constitutional. The Legislature seemed comfortable with the council's past actions. It never once tried to modify or restrict the authority it had bestowed.

In light of this history, the Court of Appeals' sudden invalidation of the smoking regulations was startling. The court found that the council had usurped the Legislature's "policy making function." This is a strange charge, since agencies regularly engage in policy making as part of their mandates.

To find that the council went too far, the court exhumed the spirit of the infamous "nondelegation doctrine," which was first and last heard from in two 1935 United States Supreme Court decisions. The doctrine,

which holds that there is a certain realm of policy making that cannot be delegated by the legislative branch, was thought to be so wrong-headed that it was pointed to by Franklin D. Roosevelt as justification for "packing" the Court.

The doctrine's logic ran so contrary to all established principles of separation of powers in administrative law that it was never again relied upon by the Supreme Court. The doctrine had been left as the subject of academic debate. Legal scholars have often castigated its establishment as a quinescent example of judicial authority run amok.

To be perfectly fair, the Court of Appeals claimed in a footnote to its decision that it never intended to resurrect the doctrine. However, the thrust of the decision belies that contention.

After dusting off this legal anachro-

nism, the Court of Appeals compounded the problem by failing to create any standards to guide administrative agencies. Indeed, the court admitted that it was difficult to discern the dividing line between the appropriate exercise of delegated authority and impermissible policy making.

The court solved this problem by ignoring it. As noted by Judge Joseph W. Bellacosa, in an unusually heated dissent, "its line is no line, but rather an arbitrary judgment call of its own." As a result, state agencies cannot now predict whether proposed rules will fall within the exclusive jurisdiction of the Legislature.

If the court felt compelled to undercut a century of precedents and, as Judge Bellacosa stated, "invade the prerogatives of the Legislature and the executive, the least it could have done was enunciate a new standard to permit the continued vitality of the administrative process."

As a result of the court's failure, New Yorkers are at risk. Now, when agencies face controversial decisions in such areas as the environment, working conditions, insurance and consumer protection, they will have every incentive to dodge the hard calls. Those will go instead to the Legislature, which lacks the time and technical expertise to deal with them.

Thus, the court may get its wish of relegating controversial decisions to the Legislature. Denying administrative agencies the power to actively promote the public welfare, however, is in nobody's interest.

ESSAY | William Safire

Secrets of the Summit

My old interlocutor Georgi Arbatov, shunted aside as Head Flack by Valentin Falin (the Ethnic Bomber) and his Novosti aide, Gennadi Gerasimov (my look-alike), probably has some summit questions on his mind that I am free to answer.

1. Why did Defense Secretary Weinberger choose this moment to quit?

Because Ronald Reagan sided with George Shultz and Howard Baker in their acquiescence to Senator Sam Nunn's demand to interpret narrowly the ABM treaty through October 1988. Cap was aware that the seemingly innocuous promise (not to test space defense techniques before we have any to test) is also the key concession to the Russians by injecting the central decision to prevent "Star Wars" testing into the final stages of our Presidential campaign. Mr. Reagan has all but guaranteed the continuance of the restrictions that Mr. Gorbachev seeks so eagerly. Front-runner George Bush has already announced that "peace" will be his theme, and Bob Dole might go with the prevailing breeze: only long shot Jack Kemp would join the space-defense issue.

2. Why was Frank Gaffney, *Last of the Hard-line Mohicans at the Pentagon*, forced out so abruptly?

Because he was Weinberger's man on George Shultz's most recent mission to Moscow, and sent a red-hot secret communication to his boss at Defense criticizing the meekness first shown in our reaction to Soviet demands that the summit meeting include a limitation on S.D.I. testing. Our Big Ear alerted Frank Carlucci, Cap's successor at Defense, who showed Mr. Gaffney the door. Senators will soon ask to see the critical cable.

3. Why did the Russians appear to drop the demand for resolution of the "interim issue" at this summit?

Surely you know, Georgi — because Anatoli Dobrynin learned that Sam Nunn's last to put Senate institutional power ahead of everything would compare with the likelihood of Mr. Bush's nomination to do the test-restricting for him. While watching the strained emphasis on support for S.D.I. at the farewell ceremony, the Russians realized the reason for the Weinberger surrender. They now understand the way to handle Mr. Reagan. Never murder a man who is committing suicide.

4. Does the *Khrushchev* on the right mean a Senate ratification of this agreement?

Treaty opponents can count on only 15 votes, and it was assumed they would settle for reservations on verification and progress on conventional reductions. But Mr. Reagan's blunderbuss accusation that treaty opponents were obsessed by the inevitabil-

ity of war has made a war on the treaty inevitable.

The opposition strategy will be to take as a precedent Sam Nunn's unprecedented examination of all the files on the ABM treaty, and to require the Administration to submit to the Senate the entire seven-year I.N.F. treaty negotiation record. What is sauce for the ABM-limiting goose is sauce for the I.N.F.-opposing gander: the voluminous record could then be examined for a year or two.

To counter this (and to reinstate himself in Republican ranks after his Bork defection), Senator Arlen Specter is preparing a resolution calling for the Senate to stop tying the President's hands with narrow interpretations of old treaties. The Senator supports Judge Abraham Sofaer's legal argument that the understanding reached between governments — not internal discussions within each government — should be controlling.

The Specter resolution will join the lonely hard right to the soft right in support of S.D.I. testing; that may diminish the Nunn pressure, confound the Dobrynin expectation, and wipe the big grin off the face of Ronald

The ABM goose and the I.N.F. gander.

Reagan's new bedfellow, anti-S.D.I. Democratic whip Alan Cranston

5. What surprise do pundits expect from Mr. Gorbachev to upstage Mr. Reagan?

At the first Ron-Gorby summit meeting in Geneva, much last-minute teasing was done on withdrawal from Afghanistan. Because the Stinger-supplied Afghan patriots are defeating the 115,000 Soviet invaders, we can expect the leading to intensify. A summiteer admits that Soviet battle deaths reached 12,000 three years ago, we can assume that the number has doubled by now, and that the admitted figure is half the real body count. That takes Soviet losses into the range of American dead in Vietnam.

Mr. Gorbachev will offer a timetable for withdrawal if we will promise to cut off support to the freedom fighters two months after the retreat begins. Mr. Reagan should counter-offer to end military aid to the Afghan resistance on the day the last Russian leaves, and when no Soviet arms are being sent into Afghanistan or Iran or Nicaragua. That would be a good surprise.

ABROAD AT HOME | Anthony Lewis

Why the Summit

A summit meeting that is more than cosmetic can take place only when each superpower — and its political leader — has a strong interest in seeking accommodation with the other. That is why Ronald Reagan and Mikhail Gorbachev are meeting in Washington, and why each can confidently expect to gain something important.

The most significant achievement from the viewpoint of the United States is already clear. That is Soviet acceptance, in the draft treaty on short- and intermediate-range nuclear missiles, of the principle that verification of arms agreements includes on-site inspection: visits by officials of each side to the other's territory.

Acceptance of that principle is a historic step. Only a few years ago it seemed unthinkable that the Soviet Union would allow American scientists and military officers to inspect missile production and deployment sites. The agreement could point toward a wider easing of the morbid secrecy that the world finds such a menacing Soviet characteristic.

The missile treaty has another aspect with hopeful implications for the United States. In signing it, Mr. Gorbachev implicitly accepts the proposition that arms control agreements may be numerically asymmetrical, requiring the Soviet Union to give up larger numbers of weapons.

Under the treaty the U.S.S.R. must destroy some 3,000 nuclear missile warheads and the United States fewer than 1,000. If such asymmetry can be accepted in order to achieve larger purposes in arms control, it may be realistic to think of agreement on reducing conventional weapons in Europe — where large Soviet forces,

especially of tanks, worry NATO and would have to be sharply reduced to make an agreement possible.

From the Soviet viewpoint, the military gain to be expected from the summit meeting is the removal from Europe of American nuclear weapons that can hit all the major cities of the western U.S.S.R. The Pershing 2's have always been described by Soviet officials as especially menacing.

But the real significance of the summit meeting for Mr. Gorbachev is surely political rather than military. It lies in the commitment of the most conservative American President in memory, one who has aimed much harsh rhetoric at the Soviet Union, to

Both sides stand to gain.

the principle of arms agreements between the superpowers — and to generally better relations between them.

Mr. Reagan dramatized this point himself, in the run-up to the summit meeting, by denouncing his own supporters on the extreme right who oppose the I.N.F. agreement. "In their deepest thoughts," he said, they believe "that war is inevitable... between the two superpowers."

The leaders of the far right responded by forming what they called the Anti-Apprehension Alliance. Howard Phillips of the Conservative Caucus said: "Unfortunately, Ronald Reagan is a very weak man with a

very strong wife and a strong staff. He has become a useful idiot for Kremlin propaganda."

The break between the President and those on the right who did so much to put him in office powerfully illustrates a basic truth about the American political system. It cannot be run successfully from the extremes. A President who wants to leave an admired record of accomplishment will move toward the center: even a President as ideological as Ronald Reagan.

The personal interest that impels Mr. Reagan to this summit meeting is obvious. He is approaching the end of his Presidency, declining in power and public regard, with no great achievement in foreign policy over seven years. In the I.N.F. agreement, and in the possibility of future agreement on a drastic cut in strategic weapons, lies his hope of a page in history.

Mr. Gorbachev has just as much of a political imperative. His leadership faces restless doubts in the party and the bureaucracy, and he needs a success in Washington.

Of course the interests that led to the summit are more than personal. Opinion polls in the United States show overwhelming support for the I.N.F. treaty, among conservatives and liberals, Republicans and Democrats. In both superpowers the conviction is evidently growing that there are too many nuclear weapons and that military expenditure must be contained.

For both men and both countries this meeting can be a real success only if it starts a process. Will Mr. Gorbachev act to get Soviet troops out of Afghanistan? Will he commit himself to lasting improvements in Soviet attitudes to human rights? Will Mr. Reagan abandon his attempt to reinterpret the ABM treaty out of meaningful existence? —

The Larger Nuclear Debate

By Ralph Kaplan

It is of great importance that the treaty banning intermediate-range nuclear weapons, and the further possibility of a dramatic cut in strategic nuclear weapons in 1988, be seen as the beginning of a deeper public involvement with arms control issues. The danger is that these hopeful anesthetics will instead further anesthetize a citizenry that, for much too long, has avoided serious thought and creative debate about nuclear weapons.

Many thousands of these weapons will remain after a treaty is signed. Their existence hovers over, and indeed alters, most other major issues — some directly (relations with the Soviet Union and with our allies, the Middle East, terrorism, Islamic fundamentalism), and some indirectly — (a willingness to foul the environment, the breakdown of ethics, drug use, lack of idealism among college students).

Who can measure the impact of the widespread doubt about the future of humanity on these issues? But a relationship clearly exists.

What has been missing is the good

common sense that usually accompanies overt, active public interest in public affairs. On the nuclear issue, the public is concerned but not engaged, troubled but largely unlettered. Surveys and everyday experience indicate more interest in toxic waste, AIDS, crime, abortion and taxes.

Why do we have this situation? The instinct of most people is to avoid thinking about nuclear war. It is overpowering, depressing, complex; it threatens mental stability. And there are no victims on television to compel our attention; indeed, the most common TV images are of the protests of the far left, thereby allowing the public to persuade itself, inaccurately, that this is a subject of concern only to well-meaning but naive ultraliberals.

Meanwhile, the great majority of knowledgeable and responsible moderates pushing for change in our nuclear policies unwittingly cooperate in this evasion by confining their views almost exclusively to specialized publications. And so, out of sight of the public swirls a debate on nuclear tactics — a nasty debate, and an endless one.

Not surprisingly, a general public that is worried about the nuclear threat but unwilling to dwell on it gives off contradictory signals — seeming to favor summit meetings, arms treaties and détente but also

arms buildups and "Star Wars." Conservatives view the "peace movement" as highly powerful if wrong-headed; journalists "know" the public doesn't care about details of nuclear weapons and arms control.

(Mailings of peace groups have done poorly since an arms deal seemed close, and the fear is that a public not knowledgeable about the great number of nuclear weapons that will be left will convince itself that the danger has passed.)

Meanwhile, policies and plans are in place about which most of the public has no knowledge and would not support if it did: American commitment to a first-strike policy, computer-triggered responses, plans for fighting and "winning" a nuclear war. If people did know, once they understood the tactical reasons that seemed to make these policies necessary, their reaction would very likely be not so much against these tactics as against our having allowed ourselves to get into a position that seemed to make them necessary.

To break this cycle, the public needs to feel that the subject can be understood, that it can and must make a difference — instead of hiding, as it now does, behind the excuse that the issues are too complex and must therefore be ceded to the "experts." The debate over the treaty on intermediate-range forces could be the beginning of this process. —

SUMMIT WATCH

A NEW IMPROVED NUCLEAR ARMS RACE?

Will this week's INF treaty and the anticipated START agreement mark the end of the nuclear arms race?

Certainly they are steps in the right direction. But the rest of us must keep up the pressure.

Already, the military strategists are planning to add more warheads in Europe to "compensate" for those removed under INF. And the cuts being contemplated in the START accord are smaller (30-35%, not 50%) and less comprehensive than the public has been led to believe.

Neither treaty will stop either side from deploying the latest "new and improved" weapon systems, from the Soviet Typhoon SSBN to U.S. D5 missiles for Trident II, air-launched cruise missiles, "earth penetrator" warheads. Stealth bombers and more.

In fact, over half of the world's existing

nuclear arsenals have yet to be discussed, let alone covered by an accord.

Intense public pressure led directly to the quantitative reductions in INF and START. But the effort can't end here.

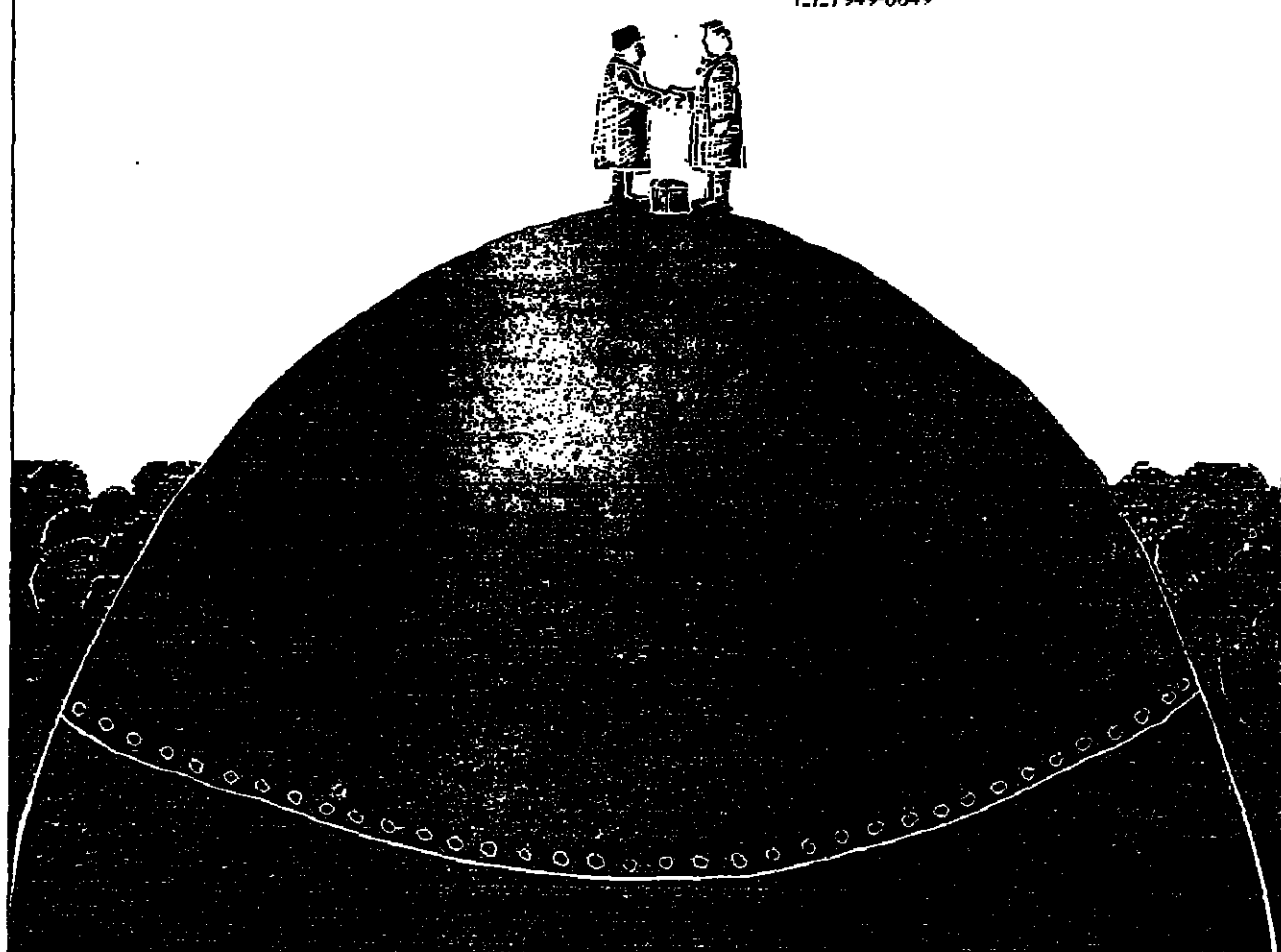
Both sides are busy building more accurate, deadly, destabilizing weapons. U.S. cuts under INF represent only 90 days of warhead production, for example.

Given the facts, a mobilized public can halt the new qualitative arms race. That's why we sent scientists to monitor the Soviet test site, publish the authoritative *Nuclear Weapons Database*, and brief the media through our SummitWatch project.

Contact us at the address below. Because the more you know, the more you can do.

NR DC Natural Resources Defense Council

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Israel's Huge Arab Army Of Migrant Workers

Palestinians fill blue-collar jobs by the tens of thousands in an uneasy economic arrangement.

By THOMAS L. FRIEDMAN

TEL AVIV Israeli writer Dahn Ben-Amotz was standing on his second-floor balcony recently, repairing cracks in his stone wall with plaster. As he worked away, an Israeli couple came walking down the street. The Israeli man looked up at Mr. Ben-Amotz and shouted at him in Hebrew, "Hey Ahmed, what time is it?"

"It was immediately clear to me that they thought I was an Arab simply because I was holding the tools of a construction worker," recalled Mr. Ben-Amotz. "You just don't see Jews in that position here anymore."

Indeed, Arab workers from the Israeli-occupied West Bank and Gaza Strip today form the backbone of the manual labor force in Israel — so much so that Jewish Israelis who still do blue-collar manual labor often wear yarmulkes or Jewish stars around their necks, whether they are religious or not, so that no one will confuse them with Arabs.

It is a common mistake, since each morning roughly 45,000 Palestinian workers from the Gaza Strip, or about half of the work force there, and 55,000 from the West Bank, or one-third of the work force there, come to work in Israel, transported by long caravans of buses and cars. Still thousands more, mostly Arab women, work in the West Bank as seamstresses in Arab-owned sewing shops, which produce clothes for the leading Israeli fashion houses.

Although they account for only 7 percent of the Israeli work force, these Palestinian laborers from the occupied territories dominate whole sectors of the Israeli economy, namely construction and agricultural field work and low-level municipal services along with the occupations of waiters, cooks and cleaners.

Their employment can be traced to the 1967 war, when Israel took control of the West Bank from Jordan and Gaza from Egypt. Unemployment in these occupied territories, already high, soared because Palestinian businesses and farmers were cut off from their traditional markets. At the same time, following the war, Israel experienced an unprecedented building boom and economic expansion.

The market forces gradually drew the Arab workers from the occupied territories into Israel, which had a somewhat higher wage structure. But rather than displacing the Israeli Jews or Arabs who held manual jobs before 1967, the Palestinians from the territories tended to push the Israelis up the labor ladder of a growing economy. These Israelis tended to become foremen, engineers or bureaucrats, and Israeli waiters became maitres d'hôtel.

This phenomenon of a modern, Westernized economy using low-cost nomadic labor is hardly exclusive to Israel. Turkish workers in West Germany and Switzerland, Mexican workers in Los Angeles, and Egyptian, Syrian and Palestinian workers in the Persian Gulf play similar, if not much larger, roles as a cheap source of labor.

But what gives the phenomenon its unusual character here is that the "guest workers" and their bosses are also political enemies. The Palestinian bricklayer by day may be a bomb thrower by night. An Israeli contractor may be hiring Arabs one day and, as a reserve soldier, arresting them the next.

This creates a relationship full of paradoxes. Some 800 West Bank and Gaza Palestinians who have worked in Israel for more than 10 years and have turned 65 years of age are now receiving old-age pensions from a Jewish state they do not recognize. A Palestinian-owned pasta factory in the West Bank Arab village of Beit Zahur, which produces noodles for Israeli retailers, has its products stamped "kosher" by rabbis from the nearby West Bank Jewish settlement of Tekoa — which was partly built by Palestinian labor. A West Bank Jewish settler magazine, Nekuda, carries advertisements on one page from Arabs looking for work and editorials on another page assailing Jewish settlers who employ Arab labor.

Summing up the relationship, Yuval Portugali, a Tel Aviv University geographer, observed, "Both communities need each other and both communities fear each other."

At about 5:30 A.M., just as the sun curls up over the mountains of Moab and erases the crescent moon, Arab workers begin their morning ritual in Jerusalem. Still bleary-eyed from having left their West Bank villages as early as 4 A.M., they line up on the sidewalk leading out from the Damascus Gate of the Old City, clutching their lunch bags in one hand and warming their lungs with cheap cigarettes in the other.

There they will stand for hours in front of the Ali Baba Hotel, forming a human labor market, waiting for Israeli builders and other employers to drive by and pluck up the lucky ones for a day's work.

An Israeli contractor cruises up in a green Volvo. His car draws a dozen Palestinian workers off the sidewalk, each elbowing the other for the chance to cram his head into the car's open front windows. The contractor is nervous. He does not like being surrounded.

"How much? How much?" the workers shout at the driver.

"Twenty-five shekels for the day," he says in Arabic, holding a walkie-talkie in one hand.

"What is the work?" the men ask.

"Asphalting," says the contractor.

For 25 shekels (\$14.50) there are few takers. Most of these men have come by bus or taxi from Hebron, which cost them almost 10 shekels roundtrip. After a day's work they would be left with about \$9. Most of them shake their heads and drift away from the Volvo, except a few youths who hop in the back seat. The contractor speeds off.

A mini-van approaches, the driver slows, the workers swarm toward the vehicle but the driver suddenly speeds away. Someone spits at the van.

How do they decide who gets the work when it is offered?

"We just attack the car," explains Mohammed, a 40-year-old father of 10 from Yatta, a village near Hebron. "Whoever gets there first wins. It is

"Don't you think we know we are helping them build their state?" said Mohammed Nawaf, a 24-year-old from a village near Bethlehem.

"I helped build Efrat," he adds, referring to the Jewish town near Bethlehem. "It is a real humiliation. Neither side is happy with you, and you know you are doing something against your own people, but you need the food."

Someone in the back shouts: "Let Arafat do something for us and we would not need to work for the Jews." But the debate is cut short by another car driving up, offering work for the day, drawing them all like metal filings to a magnet.

Fourteen similar streetside Arab labor markets exist in Tel Aviv, Haifa and other cities. Many other Palestinians will be recruited directly from their villages or refugee camps by a ra'is — an Arab, or sometimes Jewish, labor boss who works as a middleman between the Arab labor pool and the Jewish marketplace. Both those recruited by a ra'is and those hired on the street are paid by the day and do not get any social, retirement or unemployment benefits, a practice that is technically legal.

The rest of the Palestinian migrant labor force, about 40 percent of the total, enters Israel officially through 39 employment offices run by the Ministry of Labor in the West Bank and Gaza Strip. Israeli employers who hire workers through the labor offices send their paychecks to that office. The office forwards the salaries to the Arab workers, minus

average between 25 (\$14.50) and 30 (\$17.50) shekels a day in take-home pay, according to Ministry of Labor surveys.

The average wage for Palestinian workers in Israel is about 40 percent of the average for Israelis, said Prof. Ephraim Kleiman, a Hebrew University economist who has done a major study of the Arab labor phenomenon.

The gap, said Professor Kleiman, is due to a combination of factors: the lower level of training of the Palestinian labor force, the fact that most Palestinians have generally lower-skilled jobs and probably some element of discrimination — both in terms of the jobs to which Palestinians are admitted and the wage rates paid to them by Israelis.

Israelis and Palestinians do agree on one thing: their economic relationship has been a blessing and a curse for both.

"The blessing," said Ibrahim Matar, a Palestinian economist, "is that it has helped Palestinians to remain in their land by providing employment nearby. Without it, a lot of these workers would have emigrated."

In addition, he said, the fact that Israel has provided more or less full employment for the Palestinians in the occupied territories — albeit at low wages — has enabled them to steadily develop economically, and modernize their society, during the last 20 years.

"In all the villages there has been a real construction boom by Palestinian peasants who before 1967 were either unemployed or permanently underemployed in agriculture," Mr. Matar said.

Moshe Katzav, the Minister of Labor, notes that the unemployment rate in the occupied territories is now less than 3 percent, compared with 7 percent inside Israel.

On the negative side, argued Mr. Matar, the Palestinian workers are "exploited" in terms of wages and benefits. "It means cheaper labor costs and more profits for Israeli capitalists," he said.

Ministry of Labor officials contend, however, that Israel, like any other advanced economy, would have imported cheap labor from Turkey or Portugal had the Palestinians not been available. Even if Israel returned the West Bank and Gaza tomorrow, the officials add, thousands of Palestinians would still be voluntarily knocking on Israel's door for work.

But this is partly because Israel has systematically prevented the development of any Palestinian industrial base in the West Bank and Gaza that might compete with Israeli companies for Palestinian workers or market share, economists say. Any new building requires a permit from the Israeli military authorities and these are limited in the industrial field.

"This means that almost all the income earned by Palestinian workers is recycled back into the Israeli economy by their buying Israeli products," Mr. Matar said. "The West Bank is just one big company town for Israel."

The absence of an industrial base in the territories has also meant that college-educated Palestinians with white-collar skills, such as accountants or engineers, have few job opportunities at home. Since Israel does not need them, they must either slip on a blue collar and do manual labor or find employment in the Arab world.

For Israel, the main benefit of this Palestinian labor pool is that it provides a close-at-hand, low-cost source of manual workers, but unlike Turks in Germany, for example, the Palestinians do not reside, save for small numbers, in shanty towns inside Israeli cities. Instead, they go home each night to their villages or refugee camps in the occupied territories, where most Israelis do not have to deal with them.

Another plus for Israel is that the dependence of the Palestinians on Israel for work is a powerful inducement for them not to engage in violent resistance, since the Israeli army, by closing just one checkpoint, can prevent the entire Gaza labor force from entering Israel.

On the negative side for Israel is the fact that the availability of relatively low-cost Arab labor has encouraged certain industries, such as construction, not to modernize their equipment as much as they might have had the surplus labor not been available.

But perhaps the most important negative is what this relationship has done to Israeli society. Israel always thought of itself as a progressive society, with egalitarian ethics — even more so than most West European countries. That is now much less true. Today, even many Socialist kibbutzim, which once elevated Jewish manual labor almost to a religion, employ Arabs from the territories in their fields and factories.

"There is a process now," said Professor Kleiman, "in which people who do menial jobs are not only poorer than you are, but they belong to a different culture and national group. There is an identity now between class differences and ethnic differences and that can be explosive."

The Economy

WEEK IN BUSINESS

Shearson-Hutton: The Deal Is Done

Shearson bought Hutton for \$962 million in a deal that will, by some measures, create the securities industry's largest firm. For example, the combined sales forces will number 12,300, about 800 more than at Merrill Lynch, the industry leader. The Hutton brokers' jobs were believed to be largely secure but there will undoubtedly be layoffs elsewhere to eliminate duplication. Estimates of the number of jobs to be cut ranged as high as 6,000. It was unclear if the Hutton name would be retained. Hutton had put itself on the block Nov. 23 and several firms made inquiries. But Shearson quickly became the only real contender and worked out a deal with Peter V. Ueberroth, the baseball commissioner who is also a director of Hutton.

Shearson's appetite for acquisitions apparently isn't satisfied. Company officials confirmed that Shearson was close to an agreement to buy the L.F. Rothschild securities firm.



Peter Ueberroth

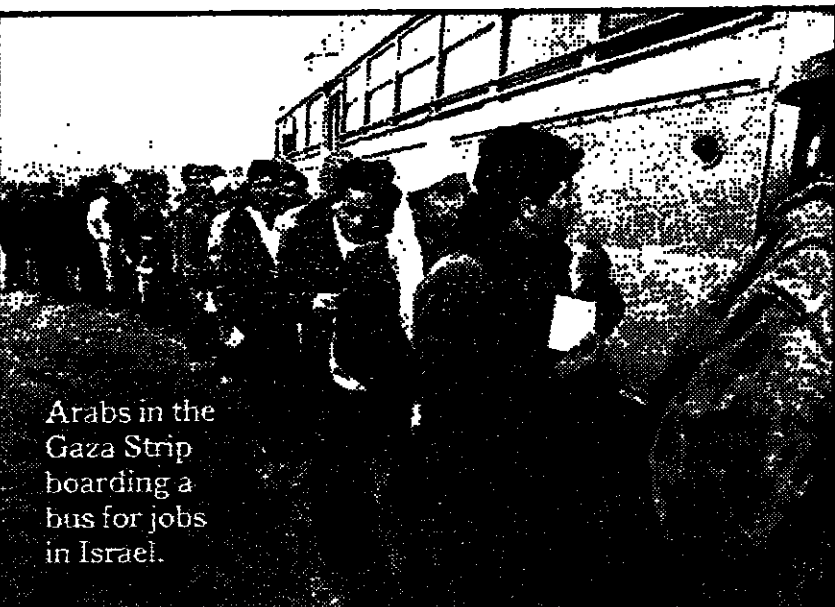
from the flow of money out of the stock market. Gold, which had been flirting with the \$300-an-ounce level, pulled back to about \$480.

Pan Am and its pilots struck a deal that could stymie other unions' efforts to find a buyer for the company and depose management. The pilots agreed to \$55 million a year in concessions in return for a stake in the company. The flight engineers later reached an agreement that also granted concessions. The settlements came as Pan Am's board pondered a takeover effort by Braniff, which had been working with a coalition of unions. The pilots were said to have broken with the coalition because they were worried about how they would fare under Braniff.

Housing sales and prices fell in October, the Government reported. The number of new homes sold fell 1.5 percent, to an annual rate of 657,000 units. The median price of a new home nationwide declined 5.5 percent, to \$104,000. The price had peaked in September at \$110,000. There were sharp regional variations, with the Northeast and South posting big declines while the Midwest showed strength.

Disappointing November sales were reported by most big retailers. Sales at Sears, the industry giant, were only seven-tenths of 1 percent higher than in November of 1986. But Detroit bucked the trend, reporting a surprise 9.9 percent gain in vehicle sales in November's final 10 days.

The leading indicators fell two-tenths of 1 percent in October, dragged down by the stock market plunge. The production and employment factors continued to show strength, and six of the index's nine available components were positive. The September figure was revised from a drop of one-tenth of 1 percent to unchanged, so the index has not had an advance in two months. But analysts said that alone does not portend a slowdown. Better news came from the unemployment figures. The November jobless rate fell one-tenth of 1 percent, to 5.8 percent.



Arabs in the Gaza Strip boarding a bus for jobs in Israel.



Workers from the West Bank and Gaza dominate parts of Israel's economy.

like 50 dogs chasing a bone. I would work in Hebron for half the price, but there is no work there."

How does he get along with his Jewish bosses?

"Some of them are better than friends and others are worse than enemies," explains Mohammed, his black-checked Arab headaddress drawn tightly around his head to fend off the morning chill. "You just hope you'll get a good one."

The workers seem to know the contractors by their cars. Some have steady, loyal employers for weeks, months or even years. When the boss's car drives up to the curb, these workers silently climb into the back for the ride to a building site. Others who must look for a new boss each day watch them with envy.

"Stay away from the one in the white Mercedes," someone shouts. "He doesn't pay."

A group of young men from Bethlehem are asked whether they have helped to build Jewish settlements on the West Bank and how they feel about it.

"You don't go to your own funeral," says one, explaining why he would never work on Jewish settlements, most of which are built with Arab labor. But most of his friends disagree.

about 30 percent for Government deductions.

About half of the deductions are made for a variety of social welfare benefits to which the Palestinian workers are not entitled, so for them they are lost wages. The other half are applied to health and vacation benefits and a Government-sponsored pension program, to which the Palestinians are entitled provided they work a certain amount of days each year.

The reason the Government charges the Arabs for benefits they do not receive is to make sure that their overall paychecks will not be substantially less than that of Israelis. Otherwise, the Israeli wage structure would be pulled down, said Shlomo Amir, the Ministry of Labor's expert on Palestinian workers. Israel uses the surplus deductions to pay the costs of maintaining its occupation and services in the West Bank and Gaza.

"The reason half the workers prefer not to use the labor offices is because they get paid in cash on the spot, they don't have anything deducted and they don't have to have any contacts with the Israeli authorities," Mr. Amir explained.

The official minimum wage in Israel is about 22 shekels a day (\$13), and Palestinians working in Israel

The New York Stock Exchange

MOST ACTIVE STOCKS

WEEK ENDED DECEMBER 4, 1987

(Consolidated)

Company	Sales	Last	Net Chg
Ocel Pet	47,061,200	23 1/2	- 2
Ohio Ed	35,987,600	19	- 7/8
Tex Util	23,423,700	26 1/2	- 1 1/2
Un Elec	15,030,800	21 1/2	- 1 1/4
Gen El	11,777,700	40	- 3 1/2
CIGNA	10,574,000	44 1/2	- 4 1/2
AT&T	10,443,900	25	- 2
IBM	10,259,800	107 1/2	- 7 1/2
Wal Mt	10,142,700	21 1/2	- 3 1/2
Exxon	8,529,500	36 1/2	- 2 1/2
Dyn Li	8,075,300	11 1/2	- 1/2
E Kod	8,009,100	44	- 3 1/2
Halt F	7,844,200	27 1/2	- 1/2
NCNB	7,646,300	10 1/2	- 2 1/2
Xerox	7,589,400	50 1/2	- 4 1/2

MARKET DIARY

Advances	Declines	Total Issues	New Highs	New Lows
241	1,810	2,163	5	47
Week	1,051	2,117	14	143
Prev. Week	818	2,117	14	143

VOLUME

(A.P.M. New York Close)	Last Week	Year To Date
Total Sales	555,651,100	44,881,863,500
Same Per. 1986	551,083,300	33,280,088,570

WEEK'S MARKET AVERAGES

High	Low	Last	Change
185.6	181.0	181.2	-0.30
118.6	114.9	115.7	-0.85
70.0	68.8	68.8	-0.40
118.2	115.2	115.2	-1.02
138.6	135.0	135.1	-0.40

New York Stock Exchange

Index	Last	Change
Industrial	185.6	-0.30
Transport	118.6	-0.85
Utilities	70.0	-0.40
Financial	118.2	-1.02
Composite	138.6	-0.40

Standard & Poor's

400 Indust	284.1	275.0	275.2	-1.56
20 Transp	190.7	183.2	184.2	-0.34
40 Util	106.7	104.4	104.6	-0.83
40 Financial	22.8	21.9	21.9	-0.49
500 Stocks	247.9	240.3	240.3	-1.68

Dow Jones

30 Indust	1985.2	1889.2	1810.4	-3.15
20 Transp	753.1	714.5	728.4	+2.14
15 Util	184.0	178.7	182.1	unch.
65 Comb	730.8	697.1	706.0	-0.15

The American Stock Exchange

MOST ACTIVE STOCKS

WEEK ENDED DEC. 4, 1987

(Consolidated)

Company	Sales	Last	Net Chg
EchBay	2,965,400	20 1/2	- 1/2
Wang	1,580,000	10 1/2	- 1/2
TexAir	1,386,800	9 1/2	- 2 1/2
BAT	1,181,300	7 1/2	- 7-16
Amdahl	1,073,200	27	- 3 1/2
NY Times	1,017,600	25 1/2	- 1 1/2
WDlight	989,400	12	- 1 1/2
LorTel	972,300	8 1/2	- 1/2
HmeSh	772,500	5 1/2	- 1
Hasb	761,700	11 1/2	- 1/2

MARKET DIARY

Advances	Declines	Total Issues	New Highs	New Lows
105	408	1,165	4	90
Week	434	1,007	4	90
Prev. Week	434	1,007	4	90

VOLUME

(A.P.M. New York Close)	Last Week	Year To Date
Total Sales	53,790,575	3,254,581,880
Same Per. 1986	58,153,570	2,767,771,334

FEATURES

NOVEMBER 15

Yuli Kosharovsky, a leading aliya activist, and a foremost Hebrew teacher in Moscow, sent an appeal to President Reagan and Secretary-General Mikhail Gorbachev on the eve of their Washington summit after 17 years of waiting to leave the USSR for Israel with his family: "My children are growing up as refuseniks, deprived of any prospects of a different life within the Soviet Union. They cannot study their own language openly, but only in secret, in an atmosphere of searches, arrests, and permanent threat of harassment. This has been an integral part of their life experience since birth. Thus the Soviet bureaucracy cripples the soul of even the second generation of my family."

"Twenty years ago, I resigned from the Scientific Research Institute of Automation in Sverdlovsk, where I had access to secrets. When I resigned, I signed a declaration that I would not leave the Soviet Union for three years."

"These 20 years constitute a period seven times as long as the three-year restriction imposed on me at the time of my resignation: four times as long as the maximum period of the validity of secrets as announced by Piotr Demichev, the head of the special commission for emigration and citizenship, and a candidate member of the Politburo to visiting attorneys-general from the United States."

"It is twice as long as the 10 years that you, Mr. Secretary-General, mentioned in an interview with French television in 1985, and repeated in front of American congressmen in 1987, as the upper limit of preventing people from emigrating from the Soviet Union because of their knowledge of state secrets."

"The sadism of Soviet bureaucracy clearly demonstrates its cynical disregard for both the country's international legal commitments and the internal laws of the Soviet Union. It also demonstrates the authorities' disregard for your declaration, Mr. Secretary-General."

"I appeal to you, Mr. President, whose real concern for human rights is widely known, and to you, Mr. Secretary-General, who for more than two years have so consistently been democratizing the Soviet Union, to put an end to my family's tragedy."

Letters to the Kosharovsky family can be addressed: USSR, Moscow 121108, Gerasima Kurina 4/3, Apt. 521.

NOVEMBER 17

Separated from her husband for 11 years, Henrietta Fridman also appealed to President Reagan: "Our family first applied for exit visas to Israel in 1972. Repeated refusals were issued to our family on the grounds that my husband had 'access to classified information.' My daughter and I decided to leave the USSR for Israel in 1976 in the hope that this would facilitate my husband Kim Fridman's emigration. However, Kim is still in the Soviet Union. In March 1981, he was arrested and sentenced to one year in a labour camp on a charge of 'parasitism.'"

"Almost five years have passed since his release but still he is denied the right to reunite with us. In the course of these 11 long years our daughter Victoria has grown up and married. We now have two grandchildren whom my husband has never seen. Such is our life. We count the days between telephone calls when at least we can hear each other's voices."

"All Kim's relatives live in Israel. Only he and his mother, who is 77, remain in Kiev. His father perished in World War II. Kim's mother dreams of being together with all the family and of seeing her great-grandchildren."

"I myself am 51. Time passes and the most unbearable part of our situation is that there is no way of knowing when this nightmare will end or whether there will be an end at all."

Letters can be addressed to Kim Fridman: USSR, UKR SSR, Kiev, Kosmicheskaya 12, Apt. 12

NOVEMBER 18

From Israel, Dorina Paritsky sent President Reagan an urgent request to intervene on behalf of her parents, Polina and Alexander Paritsky of Kharkov:

"My parents first applied for emigration to Israel in 1976, when I was 10. Since August 28, 1976, the date of their first application, the life of our family changed drastically. My father, head of a laboratory in the Kharkov Institute of Metrology and a promising scientist, was prevented from continuing his professional career and was reduced to taking menial jobs to make ends meet. He had to keep the place of his work secret because as soon as the KGB found out, he was fired. At present, he and my mother are working as stokers, the only job the authorities have allowed them to keep."

"These years as refuseniks were years of hardship and deprivation. We were harassed by the authorities and scorned by the people around us. My sister and I were insulted at school and in the street. People were afraid to talk to us."

"My father became one of the leading Jewish activists in Kharkov

and an organizer of the unofficial Jewish University for children of refuseniks. He launched a campaign to raise funds for a memorial to the Jewish victims of the Holocaust in Kharkov. The authorities refused permission and the site where 13,000 Kharkov Jews were murdered remains unmarked."

"My father was arrested in August 1981, convicted on spurious charges of anti-Soviet slander, and sentenced to three years' deprivation of freedom. After serving his sentence in very harsh conditions, he returned home in 1984."

"I only learned several days ago that my parents have received yet another refusal, this time 'valid forever.' I am greatly distressed about my parents, and my younger sister who will soon graduate from high school with no prospect of a normal life."

Letters to the Paritsky family may be addressed: USSR, UKR, SSR, Kharkov, Tankopla 19/1, apt. 48.

NOVEMBER 20

While welcoming the talks between the superpowers, veteran Moscow refuseniks Marta and Pavel Abramovich have urged Gorbachev to examine numerous cases of human rights violations in the USSR, specifically citing their own case.

Almost 16 years ago they submitted their first application for emigration. For 18 years they have not worked in classified positions nor in their professions as engineers.

"What connection," they ask, "is there between these figures and your statement that the maximum duration of security restrictions cannot exceed five or 10 years? Why does perestroika not include our problem and that of thousands of others like us?"

"How can you speak about trust on an international level if inside your country your words and deeds do not correspond? How much longer shall we be kept as hostages, in a country where nobody needs us and where we are only used for international barter?"

The Abramoviches are separated from their only son Felix, who lives in Israel.

They will begin a hunger strike concurrently with the talks in Washington.

NOVEMBER 21

Concerned about the plight of Ethiopian Jews, Soviet Jews planned to hold a demonstration near the Ethiopian Embassy. The demonstration was officially prohibited by the authorities who claimed they did not want to impede friendship between nations. Soviet Jews had volunteered to collect and deliver urgently needed food and medication. They also demanded that Ethiopians be granted freedom to leave for Israel.

NOVEMBER 22

Soviet authorities violently dispersed a demonstration against anti-Semitism which was to be held near APN, Novosti Press Agencies in Moscow. The demonstrators wished to protest against the anti-Semitic campaign waged by the Soviet media against the refuseniks. Following the October 14 demonstration outside Moscow TV's studios during the filming of the "telebridge" between the U.S. and USSR, refuseniks were denounced as enemies of the people and Soviet reporters claimed that the demonstration was inspired by foreign Zionists who wished to discredit glasnost and perestroika.

Most of the demonstrators were prevented from leaving their homes, and were placed under house arrest, and scores of police and KGB surrounded the home of former Prisoner of Zion Yosef Begun and his wife Inna. Former Prisoners of Zion Alexander Kholmiansky and Vladimir Kislik were apprehended and detained.

NOVEMBER 24

A demonstration on behalf of the Kolchinsky-Poberezhsky family near the Moscow Ovir office today was disbanded by the authorities and the participants detained. Posters were ripped and foreign correspondents were jostled. The demonstrators had informed the authorities of their intention to demonstrate against the emigration restrictions imposed by Ovir against Tatiana Kolchinsky and her family. Tatiana's mother, who is separated from another daughter, Inna, who lives in Israel, suffers from cancer. Matts Poberezhsky, 53, a "candidate of the technical sciences," barred from working in his profession, is employed in a toy factory. His wife, Tatiana Kolchinsky, is a biologist. Their son, Alexander Poberezhsky, 18, has studied in a medical institute and has been threatened with punitive conscription.

The family has been denied exit visas since 1979, and on June 22 this year Moscow Ovir informed them that their refusal was in force until 1995.

NOVEMBER 25

Forty windows were shattered in a synagogue in Rostov. The police refused to respond to appeals. The Ministry of Religion representative, Komarov, disclaimed responsibility for protecting the synagogue, stating that religion and state are separated in the Soviet Union, and recommending that they install a security system.

NOVEMBER 29

Jewar, Jewish Women Against Refusal, have issued an appeal to focus world attention on the plight of refusenik women: "During the long years of our refusal, we have raised our children, and in some cases even our grandchildren. The focus of our lives has shifted to our

Summit may hold brighter prospects

Enid Wurtman continues her report on Soviet refuseniks with the aid of details supplied by the Israel Council for Soviet Jewry Education and Information Centre, The Long Island Committee for Soviet Jewry, Jews in the USSR (London), Student Struggle for Soviet Jewry, the 35's group and other sources. The dates indicate when the reports were received.



Yuli, Inna, Eliezer and Matityahu Kosharovsky in Moscow, 17 years of refusal.

families, and we offer mutual assistance in times of stress, assistance which we extend to all women in refusal."

Seventy-five women participated in the second of a series of seminars on Zionism and Israel organized by Jewar at the Moscow home of Inna

Uspenskaya, at the end of which Jewar issued a statement: "...Between 1967 and 1985, 170,000 Soviet Jews arrived and settled in Israel."

NOVEMBER 29

Eighty refuseniks issued a worldwide appeal and analysis of their situation prior to the Reagan-Gorbachev summit: "The Jewish emigration movement is at a critical stage: At the present rate of emigration, about 8,000 Jews will be able to leave the USSR by the end of this year, with refuseniks making up 6,500-7,000 of this number. The number of new applications for emigration to Israel has also begun to rise."

"Despite the repressions of the beginning of the 1980s, the astronomical periods of refusals and lack of prospects in life as refuseniks, people are beginning to recover, and little by little they have begun requesting invitations for immigration from Israel..."

"Since at the beginning of 1987 there were at least 20,000 Jewish refuseniks in the USSR (a modest estimate based on Soviet data), it would be realistic to expect a significant increase in the level of Jewish emigration in 1988 on condition that veteran refuseniks are allowed to leave the USSR and that the formidable obstacles now encountered by those wishing to apply for emigration will be removed in the future."

"Unfortunately, the hopes of the beginning of the year are being replaced by doubts. A tendency to hinder the emigration process, which has hardly managed to adjust to its natural tempo, is becoming apparent. False promises, misinformation and red-tape have become an accepted norm of behaviour in all

ANNOUNCEMENT TO CUSTOMERS OF THE EAST JERUSALEM ELECTRICITY COMPANY LTD.

The Minister of Energy and Infrastructure has ordered the Israel Electricity Corporation (IEC) to supply electricity and electricity services to the following settlements and suburbs:

RAMOT • GILO • NEVE YA'AKOV • PISGAT ZE'EV • ATAROT • EAST TALPIOT • MA'ALOT DAFNA • RAMOT ESHKOL • GIVAT HAMIVTAR • FRENCH HILL • GIVAT ZE'EV • MA'ALE ADUMIM • MISHOR HA'ADUMIM •

We welcome the 30,000 new customers living in these areas who will be joining the ranks of our present customers. The addition of so many new customers to our existing supply network within such a short period, is an extremely complex technological and organizational project. Unfortunately, the process of disconnecting these areas from the East Jerusalem supply network and connecting them to our own supply network will unavoidably involve power cuts at various times. Our technicians will make every effort, throughout the day and night, to effect the change-over speedily and efficiently. For your own benefit, please read information below and follow the announcements that will appear in the media over the next few days.

METER READING

Customers are requested to read their meters and to keep a record of the reading. Concurrently, our technicians will be reading the meters within the next few days.

REQUEST FOR ELECTRICITY SUPPLY

Our new customers are presently being circulated with an information booklet and an electricity supply application form. Please follow the instructions in the booklet, fill out the form, and carefully write your meter readings in the appropriate space. Please mail the card to the IEC offices (no stamp required).

NEW CONNECTIONS AND ADDITIONS TO EXISTING CONNECTIONS

Customers who submitted a request to the East Jerusalem Company for a new connection, additions to the existing connection, or any other request involving electricity supply, and whose request has not yet been implemented, are kindly requested to visit our offices in person. The IEC has no data on requests submitted to the East Jerusalem Electricity Company.

In order to allow us to handle your request, please make certain to bring with you all relevant documents, copies of the original request, technical plans and diagrams, receipts, etc.

An announcement in the press will inform you when the IEC will begin handling these requests. Please do not come to our offices in person before this announcement.

PAYMENT OF ELECTRICITY BILLS

The IEC will send bills for electricity consumption commencing on the date that the customers in the particular region were connected to the new network. Customers are requested to make certain that they pay all previous debts to the East Jerusalem Company.

Customers whose electricity bills have been paid via a standing order in the bank, are advised that a new standing order must be arranged after receipt of the first electricity bill from the IEC. This bill will include the new customer number which must be used when arranging a new standing order at the bank.

We wish to recommend to our new customers who did not previously pay via a standing order, that they adopt this convenient and efficient scheme.

Customers are advised that all centralized payment arrangements, or the sending of bills to an address other than the one being supplied, are automatically revoked. Customers wishing to renew these arrangements are requested to apply to our offices after receipt of the first electricity bill from IEC.

Customers are requested, for their benefit, to keep all electricity bills previously issued by the East Jerusalem Electricity Company.

CUSTOMER SERVICE - ESSENTIAL TELEPHONE NUMBERS

During the transition period, we will be expanding our Customer Service Department in order to handle inquiries and questions from customers:

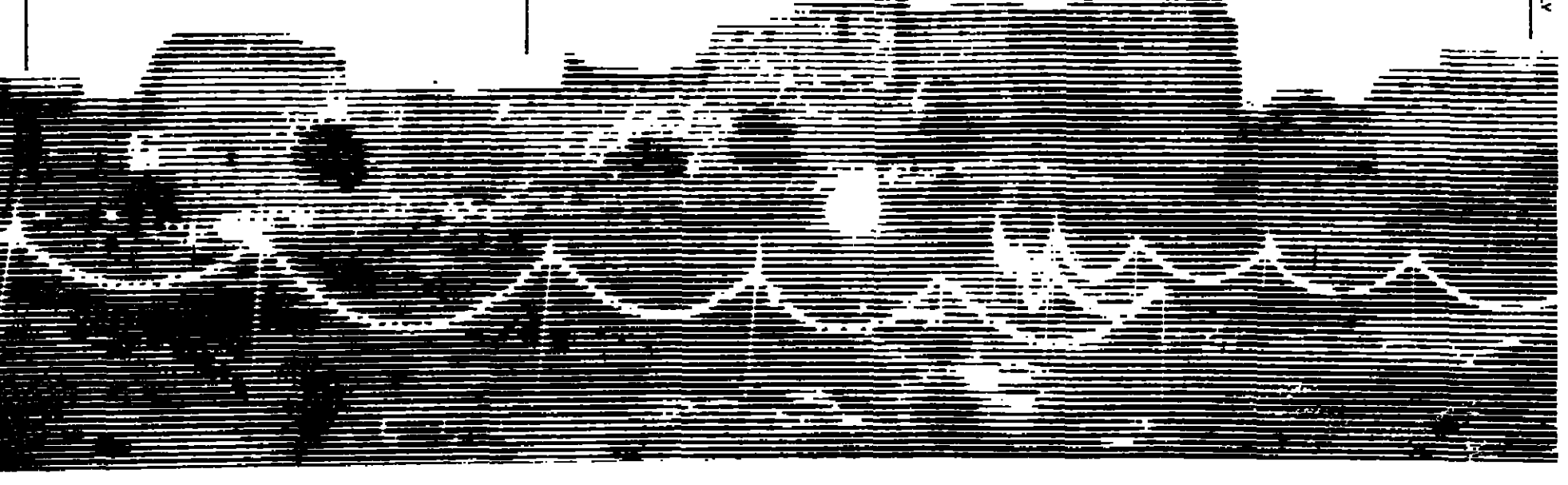
If you wish to inform us of a power cut, at any time of the day or night, please phone: 533-188, 533-189, 225-341, 222-357, 524-589.

For inquiries on commercial and administrative matters (Sun - Thurs. 7:00-18:00, Fri. 07:00-13:00), please phone: 223-919 - direct, 249-542 - direct, 226-171 - exchange.

Customers will be able to settle most matters by phone. Please refrain, where possible, from coming in person to our offices. In this way, you will help us serve you better.

Dear Resident,
We sincerely hope that your joining the ranks of our existing customers will be achieved quickly, efficiently and with minimum disturbance.
Unfortunately, we have not received the necessary cooperation from the East Jerusalem Electricity Company. This has presented us with many problems, mainly technical. We do not have sufficient information about the East Jerusalem electricity network, the type of equipment used, the location of overhead and underground cables, etc.
For some time now, the IEC has been preparing to absorb the new suburbs despite these difficulties. The scant information that we do possess has been thoroughly studied, and special equipment and highly skilled personnel have been brought to Jerusalem. Hundreds of IEC employees specially recruited for this project. We believe that with the help of their professional skill and your kind understanding, this task will be completed successfully, despite the difficulties and unknowns involved.
Thank you for your cooperation.

the israel electric corporation ltd.



Wages up by 7.9% in first nine months

By AVI TEMKIN
Post Economic Reporter

Gross wages rose by 7.9 per cent during the first nine months of the year compared to the same period last year, the Central Bureau of Statistics announced on Friday. The average gross wage totalled NIS1,440 during the third quarter of the year, the bureau added.

The figures showed real wages went down during the third quarter of the year by 1.4 per cent in real terms, compared to the previous three months. Nevertheless, the level of real wages was still slightly above the peak achieved in 1984.

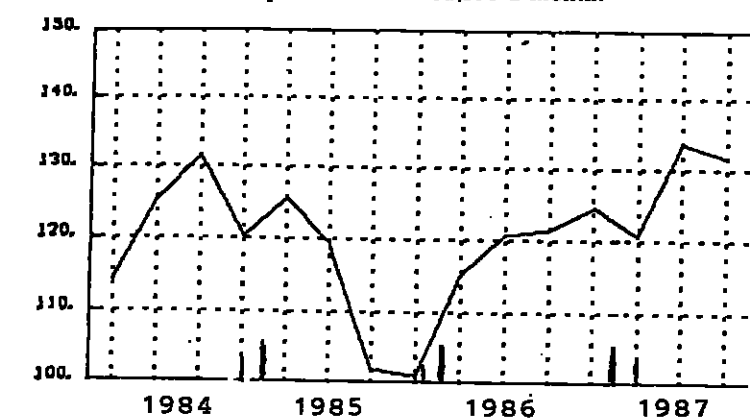
The figures also showed workers in the public sector earned an average gross salary of NIS1,154 a month. Only the workers in the personal services sector fared worse, their average monthly gross wage was NIS1,019. Workers in building and construction earned NIS1,265 a month on the average. The figures showed salaries in the public sector had increased by 7.3 per cent in the first nine months of the year com-

pared to the same period of last year.

On the other end of the scale, workers in electricity and water sector earned NIS2,517 a month. Their salaries rose by 21.6 per cent in the first nine months of the year compared to January - September 1986. But this large rise came after a long period of falling real wages. The statistics showed wages in the electricity and water sector were some 15 per cent higher in real terms than their level in 1978.

Gross wages in industry rose in January - September by 7.1 per cent. They averaged NIS1,677 a month in the third quarter of the year. The figures showed that in the second and third quarters of the year wage in industry had increased by some 8.6 per cent.

The lowest increase in wages during January - September was registered in the financial services sector, some 3.6 per cent compared to the first three quarters of 1986. Wages in the financial sector averaged NIS1,590 a month.



Average monthly wage for hired help, with the index baseline at 100 according to 1978 wages.

BUSINESS BRIEFS

Tourists arrivals up last month

Tourists continued to come in record numbers of Israel last month, the Central Bureau of Statistics reported yesterday, saying 116,300 travellers entered the country from abroad in November.

The figures, a 37.6 per cent gain from year-ago levels, brought the number of tourists entering Israel for the first 11 months of 1987 to just under 1.3 million. That was 26 per cent higher than in the first 11 months of 1986 and 8 per cent higher than in the same time in 1985, the previous record year.

The number of arrivals last month - boosted by a sharp 64 per cent rise in the number of tourists to Eilat, to 17,000 - was 23 per cent higher than the monthly average for the August-October, without adjusting for seasonal changes.

The number of visitors coming from Egypt - not counting those who left Israel to visit Sinai and later returned to Israel - was ahead 20.6 per cent from last year's levels in the January-December period, reaching 96,800.

Investment appeal

The Contractors and Builders Association said yesterday it was seeking the Israeli government's assistance in convincing Pretoria to raise the ceiling on investment money South Africans can transfer to Israel for real estate investments.

The association said it had asked the Industry and Trade Ministry's director-general, Yoram Belizovsky, and the Investments Authority chairman, Efraim Dovrat, to approach the South African govern-

ment on the matter. South Africa, which restricts the rights of its citizens to send money abroad, permits \$20 million to be invested in Israeli residential, commercial and industrial real estate.

Country Club raid

Communications Ministry inspectors and Herzliya police raided the Country Club on Friday afternoon and confiscated transmission equipment and six walkie-talkies that had been used by the club's management without a licence.

The management and the suppliers of the equipment were arrested, and face a maximum six months in prison if convicted. The ministry says it is quite rare for such communications equipment to be used without a licence, and that the violation is "serious" because the operators use radio frequencies that are public property. The management used the equipment to maintain contact with some of its staffers when they were far from the Country Club.

'Discover Israel' fair in London

Israel came to Wembley, London, over the weekend with the two-day Discover Israel '88 Holiday Fair that was expected to attract more than 7,000 people.

Opened by the Oranim dancers and the Amramim folk-singers, the fair was held at the Wembley Conference Centre and offered would-be holidaymakers the chance to sample Israeli foods and wines, investigate the holiday packages offered by a host of tour operators and check out numerous arts and crafts exhibitions.

This year has seen British tourism to Israel rise by 12 per cent, to 180,000, and a new record is envisaged in the 40th anniversary year, with return air fares as low as 150 pounds.

Diamond exports rise

The diamond sector has reported a 13 per cent increase in exports during the month of November, over last year's figures for the same month. November's total exports reached \$192 million over last November's \$170 million.

Overall figures for the January-to-November period stood at \$1.916 billion this year.

CURRENCY MARKETS

Dollar is bolstered by rate cuts

The dollar closed higher on Friday supported by several positive factors. For the week, the dollar rose around 1 per cent against major currencies.

Attention was focused last week on the prospects of a discount rate cut in West Germany. On Monday, the dollar fell to record lows of 1.634 Deutschmarks and 1.83 pounds sterling, but it managed to recover later in the week in volatile trading. On Thursday, the Bundesbank finally announced a half-point cut in the discount rate, a move that was immediately followed by most of the European central banks. This was accompanied by central bank intervention to support the U.S. currency.

The participation of the U.S. Federal Reserve in this effort was especially significant, as the Fed was absent from the market for several months.

On Friday, the dollar received an additional boost from U.S. economic data which showed gains in employment during November, indicating that the economy has not yet been adversely affected by the stock market crash.

The pound came under selling pressure Friday on rumours that it would soon join the European Monetary System. Earlier in the week the Bank of England sold pounds on several occasions in order to block an advance above the three-mark level.

The joint operation of central banks, combined with the oversold situation of the dollar, brought about a moderate profit-taking in most major currencies. The trend-line that started in late October is now being tested again, which means that the next few days should show volatile movements in wide trading ranges.

The dollar might receive support from higher U.S. interest rates, especially in light of recent cuts in Euro-currency rates. The pound should remain relatively strong against the mark and the yen should hold its own against the European currencies.

The column appears courtesy of Boaz Barak Advisory Services.

Dispute over spoilt fish

Tnuva blacklists firm close to bankruptcy

By KEN SCHACHTER
For The Jerusalem Post

TEL AVIV. - A dispute over 30 tons of tainted fish has prompted the Tnuva marketing cooperative to blacklist a Tiberias fish smoking plant that now is teetering on the brink of bankruptcy, the factory's sales manager has charged.

The Golden Whale fish smoking and processing plant could go belly up, said sales manager Ruth Yagoda, just like hundreds of silver carp that died in a chlorine-poisoning accident at the Mekorot water company's Salmon reservoir in the Gaili. Unfortunately for the factory, other carp in the reservoir survived the accident and were sold by Mekorot to Tnuva, which acts as wholesaler for virtually all Israeli fish. That 30-ton load of tainted carp was sold in November 1986 by Tnuva to the Golden Whale for NIS 50,000, she said.

After buying the fish for NIS 1.50 per kilogram, the Golden Whale factory processed the carp for about six months to prepare it for export. Only afterward, when the flavour was clearly wrong, did Gari Turchin, the factory owner, seek to trace the problem.

Yagoda said Tnuva, which marked up the fish 400 per cent before selling to the Golden Whale, has resisted all efforts to come to a settlement.

Tnuva officials, contacted at their headquarters, declined to discuss the issue of the spoilt fish. The company spokesman, telephoned at his home, said that he didn't have full details of the case, but "if they have a dispute with Tnuva, they should take it to court."

The carp were used to control the growth of algae in the reservoir, Yagoda said, but the sudden release of large quantities of chlorine killed 220 tons of the fish. Those carp were removed and buried, she said, and the survivors were sold to Tnuva at

the discount price of 30 agorot per kilogram.

Tnuva, merely serving as wholesaler agent, then marked up the price for the Golden Whale and carried out the sale without disclosing the carp's chemical-laced past. Yagoda said.

Once it became clear the fish were unfit for export, Turchin sent samples to several laboratories, but got negative results. Finally, a Ministry of Agriculture analysis uncovered high levels of chlorine, which made the fish unfit for export, although apparently safe for consumption.

That led Turchin, a Russian immigrant with a long family tradition of smoking fish, back to Tnuva and the revelation of the chlorine poisoning. But just as troublesome as the loss of investment in the carp is the cooperative's refusal to sell the Golden Whale more fish, Yagoda said.

"You can't buy from kibbutzim," she said. "You have to buy through Tnuva. It's a monopoly. That's the problem. Tnuva won't sell us any fish anymore since 8 months ago. Now we are on the verge of bankruptcy."

She said Tnuva has suggested they take up the matter with Mekorot. Mekorot, meanwhile, maintains it's not responsible because it sold the fish at a discount to Tnuva. "We're caught in the middle," she said.

Turchin has been staging a hunger strike outside the Tnuva offices, but so far, without effect. Legal remedies are being considered. "If we don't have any alternative, we'll go to court," said Yagoda.

EXHIBITION. - "Abroad '88" an exhibition featuring travel agencies, rental car firms and hotels, will be held March 28-30 at the Exhibition Grounds in Tel Aviv. The event, tailored for Israelis who travel abroad, will be open to the public.

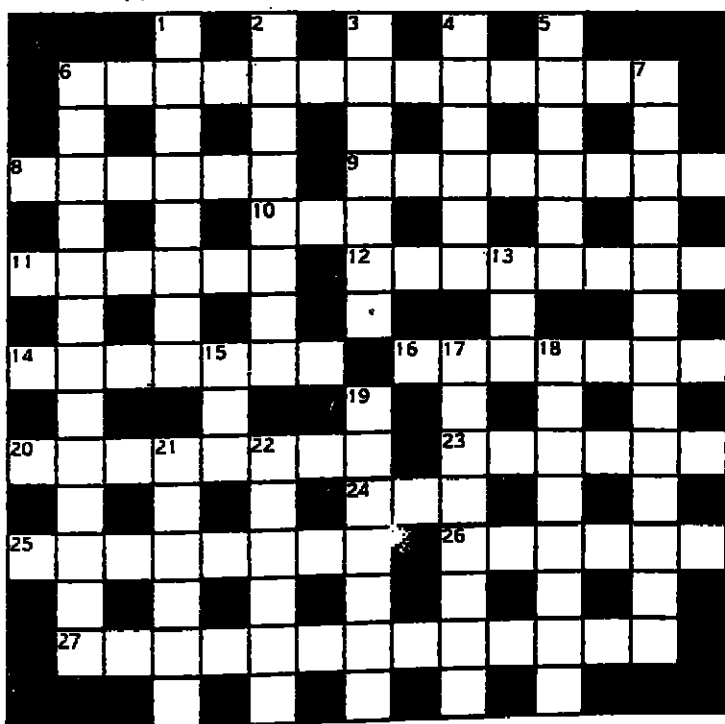
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CROSSWORD

- ACROSS**
- New drive used for breaking a deadlock? (5,8)
 - One may come across this game (6)
 - Weak lack resolve for a dance (8)
 - Possessing endless ingenuity (3)
 - Dinner-jacket for Tex with performing duo (6)
 - Taken ill (8)
 - Departed with a will (7)
 - In plain language I'm returning in expectation (7)
 - Like set meals arranged for vegetarians (8)
- DOWN**
- One who gambles in a boat? (6)
 - Colin's familiar with this mountain pass (3)
 - Reels can be affected by detergent (8)
 - Make effervescent return after a disastrous tea (6)
 - Clumsy discjockey like Cram? (6,7)
 - Is this the result of athletes doing their level best? (4,4)
 - Rejected completely, so to speak (5,3)
 - Bands of colours from various carpets (7)
 - Slows down and changes direction we hear (6)



Yesterday's Solutions

ACROSS: 1. Haifa, 4. Looting, 8. Bull-dog, 9. Wine, 10. Tilted, 11. Current, 13. Toys, 15. Tandem, 17. Eeteeen, 20. Eddy, 22. Combine, 24. Rogue, 26. Castle, 27. Hushie, 4833716, ext.43.
DOWN: 1. Habitat, 2. Islet, 3. Andante, 4. Legacy, 5. Outer, 6. Imitate, 7. Greet, 12. Used, 14. Omen, 16. Nemesis, 18. Stry, 19. Maestro, 21. Deacon, 22. Gatti, 23. Ideal, 25. Grief.

QUICK SOLUTION

ACROSS: 1. Haifa, 4. Looting, 8. Bull-dog, 9. Wine, 10. Tilted, 11. Current, 13. Toys, 15. Tandem, 17. Eeteeen, 20. Eddy, 22. Combine, 24. Rogue, 26. Castle, 27. Hushie, 4833716, ext.43.
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QUICK CROSSWORD

- ACROSS**
- Courtd (5)
 - Sheep-dog (6)
 - Fundamental (7)
 - Sordid gain (5)
 - Group (4)
 - Merrymaking (7)
 - Pervasive (3)
 - Expensive (4)
 - Antelope (4)
 - Pale (2)
 - Letter (7)
 - Hose (anx.) (4)
 - Upper leg (5)
 - Recovery (7)
 - Fashionable (5)
 - Meal (5)
- DOWN**
- Illusion (5)
 - Loaded (5)
 - Pleasant (4)
 - Obscurity (8)
 - Nearby (7)
 - Boy's or girl's name (6)
 - Renown (5)
 - Despicable (8)
 - Building (7)
 - Group of seven (6)
 - Tired (5)
 - Riches (6)
 - Refuge (5)
 - Elliptic (4)

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Tel Aviv: Shor, 84 Hamelech George, 280644; Hashila-Kupat Holim Mocabi, 7 Hashila, 4833716, ext.43.
Ra'anana-Kfar Sava: Shuali, A. Joffe, Ra'anana.
Netanya: Hadassa, 24 Herzl, 22243.
Kiryat Arava: Kupat Holim Herman, Simat Modlin, 715236.
Haifa: Yarny, 7 Ibn Sina, 672288.

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Bat Yam 5511111 Krayat Shmona 94434
Be'er Sheva 74787 Nahariya 923333
Carmiel 988525 Netanya 23333
Dan Region 7811111 Petah Tikva 9231111
Elit 72333 Rehovot 451333
Haifa 512233 Rishon LeZion 4233
Hatzor 938333 Safed 930333
Holon 03133 Tiberias 780111
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Rapo Crisis Centre (24 hours), for help call Tel Aviv, 234819, Jerusalem - 246554, and Haifa 661111.
The National Poison Control Centre at Rambam Hospital, phone (04) 82205, for emergency calls, 24 hours a day, for information in case of poisoning.
Kupat Holim Information Centre Tel. 03-433000, 433500 Sunday-Thursday, 8 a.m. to 8 p.m. Friday 8 a.m. to 3 p.m.

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Netanya: Laniado.

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Scrabble players from across the country - casual and competitive, religious and secular, will join together for the camaraderie, plenty of prizes and the excitement of spirited competition in a professionally organized tournament. Bring your swim suit, and enjoy a between-games dip in the resort's heated covered pool!
The tournament will be played in two divisions. Casual and Competitive. Scrabble sets will be provided. For further information call Zionscram Jerusalem 02-233326.

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* Price is per person in a double room (Single Supp. \$25), half-board. Includes VAT and service, includes registration for the tournament and deposit. Deposit is \$20 to be received with the registration form (below) by Dec. 15. The remainder payable upon arrival at the hotel. Payable in shekels at the rate on date of payment.

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Please complete the form below and mail as soon as possible (preferably via registered mail) together with your deposit.

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Please register me for the Scrabble Tournament. I enclose a cheque for \$20 per person as deposit, the remainder payable upon arrival.

Number of players: _____ Additional non-playing guests: _____
I/we would like to play in ☐ Competitive ☐ Casual
Reserve for ☐ Double rm. ☐ Single rm.
☐ Single to share a double ☐ Own accommodation
Additional details should be included separately.

FULL NAME (please print) _____
ADDRESS _____
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Treasury, bank act to cut interest rates

By PINHAS LANDAU

The Bank of Israel and the Treasury yesterday took firm steps to reduce the high interest rates that have plagued the Israeli money market in recent weeks.

The central bank announced that Wednesday it would make available NIS 300 million to the banking system, followed by NIS 700m in the week beginning December 15 and NIS 500m in the last week of the month. These amounts will be in addition to the four-week loan to the commercial banks of NIS 250m, announced by the central bank last Wednesday.

They are patterned to reflect the increased need for funds that the banking system experiences after the 15th of each month, when tax and other payments are made.

Despite yesterday's announcement, the banks said they would go ahead with plans to raise their prime rates by three percentage points to 18 per cent per annum.

The Treasury, for its part, said yesterday that it was prepared to make early redemption for deposits the banks had made with it and fall due at the end of December. The commercial banks are negotiating the details of this offer with Treasury officials. The Treasury has been very active behind the scenes in persuading the Bank of Israel to

take a more accommodative line.

The latest moves came despite a report from the central bank's monetary department which found that in the first week of the month the banking system had a surplus of NIS 200m. At yesterday's cabinet meeting, Bank of Israel Governor Michael Bruno noted that the central bank had assured the commercial banks that it would make available the liquidity they needed when it introduced a new framework for managing monetary policy at the beginning of December.

But senior bankers again yesterday blasted the central bank for grossly mishandling the crucial issue of monetary policy and interest rates. "You can't play trial and error with the economy," fumed one executive.

The bankers have been forced to pay high interest rates to depositors to avoid the penal marginal borrowing rate of 50 per cent that the new central bank rules impose on them if they have a net liquidity deficit during the month. The banks are afraid that the surpluses they will have early in the month will be more than cancelled out by shortfalls later on.

The liquidity measures announced yesterday would do the trick for December, these bankers said, but did not address the basic flaws in the new system.

Central bank is to blame

By KEN SCHACHTER

TEL AVIV. — Danny Gilerman, president of the Federation of Israeli Chambers of Commerce, yesterday denounced the Bank of Israel's tight-money policy, blaming it for the bank's move to raise short-term loan rates to 30 per cent and above.

"After having spoken to the chairman of the bank," Gilerman said, "it's my feeling that the bank is not to blame. I feel the Bank of Israel has direct and grave responsibility. I feel it's high time that the Bank of Israel stops sitting on the

fence and watching developments as if it's some kind of economic model. It's not some kind of model and we cannot sit back and watch it being destroyed."

The Bank of Israel's policies, he said, actually have spurred demand for credit since companies have to borrow in order to pay the high rates for previous loans.

The chamber has calculated that short-term rates in real terms were 39 per cent before the increase in interest rates and 42 per cent afterward, based on monthly inflation projections, he said.

TA exchange begins new trading hours

By PINHAS LANDAU

The Tel Aviv Stock Exchange yesterday switched over to a new trading timetable in the share and bond markets.

The change was prompted by criticism that the variable price trading system, introduced in April for 25 leading issues, was skewing the pattern of daily trading for the whole market. However, no immediate conclusions were possible on the basis of yesterday's trading, which saw a continuation of the weak market conditions of recent weeks.

Many brokers and some analysts had charged that the first few deals made in the two-sided, variable price system tended to fix a trend that was carried through for all 25 shares in that system, as well as to the main list that has continued to trade on a multilateral trading system.

Although the exchange management has claimed that this criticism is unfounded, it has undertaken to test the issue by reversing the order of trading. The new trading system as a whole is still in the experimental stage, and therefore the TASE has no objection in principle to trying out alternative approaches.

From yesterday until further notice,

the trading in small orders of up to \$5,000 in the 25 leading shares will take place at 10.30 a.m., instead of closing the day's trading as previously. At the same time, trading will take place in the small sector of non-government bonds traded in foreign currency at 11.15 a.m.

The real action at the TASE now starts at 11 a.m., instead of earlier in the morning, when the variable price, two-sided trading in the leading 25 shares will be held in one hall for large orders of \$5,000 and up, while simultaneously the main list is traded on the regular multilateral system in another hall.

Non-government bonds linked to the index or to foreign currency will also trade at 11 a.m., followed at 12.00 p.m. by the central element of the bond market, namely government bonds of all sorts.

The bank shares covered by the arrangement, due in 1988 and 1989, start trading at 2 p.m. and the short-term Treasury bills now close out the day at 2.30. Share trading is expected to end between 2 and 3 p.m., depending on the volume on the day.

The new timetable will give investors more time to react during the trading day to events in the market and outside.

Kessar's consent required

Nissim seeks immediate price hikes

BY AVI TEMKIN

Finance Minister Moshe Nissim will ask Knesset Secretary-General Yisrael Kessar today to agree to an immediate hike in the prices of basic commodities and public transportation.

The Knesset's consent to a rise in the price of basic commodities is required under the package deal agreement signed between Kessar and Nissim last January. The accord expires at the end of March, but Nissim wants to boost the prices of these goods in the next few weeks, followed by a further increase after April.

The alternative would be to implement one big price hike at the beginning of the next fiscal year. The hike

is a consequence of the planned NIS 300 million cut in subsidies proposed by Nissim, as part of a NIS 750m. reduction in the state budget.

At yesterday's cabinet meeting, where the Treasury's NIS 49 billion budget for fiscal 1988/89 was discussed, Bank of Israel Governor Michael Bruno warned that the Treasury's proposals would increase the government deficit and jeopardize economic stability. The governor said the Finance Ministry's budget relied too heavily on new levies and fees, and cuts in subsidies. What was needed, he said, was a larger cut in operating expenditures.

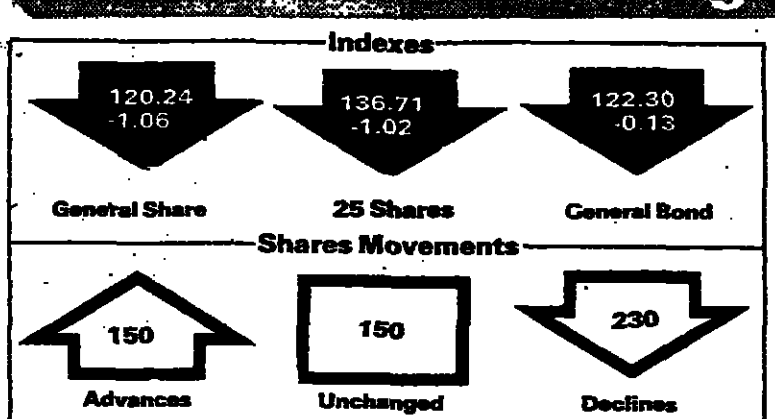
Nissim defended the proposed cut, saying it ensured the achievements of the past year and would enhance the

government's credibility. He added that the government must make great efforts to safeguard stability.

Health Minister Shoshana Arbel-Amoslin strongly attacked the Treasury's proposals. She declared that she would not only oppose the proposed cuts in her ministry's budget but would demand an additional NIS 80m. The money was needed to implement a programme to shorten the waiting time for operations in government hospitals and to find a place for hundreds of geriatric patients without permanent facilities.

Economics Minister Gad Ya'acobi said there was agreement about cuts totaling NIS 600m., but no consensus had been reached on cuts in the Education and Health ministries.

Tel Aviv Stock Exchange



Selected Prices

Name	Price	Volume	% change
Commercial Banks (not part of arrangement)			
Bank Leumi	27750	3	-0.2
Bank Hapoalim	14500	141	-5.2
Bank Leumi	8000	1188	-1.9
Commercial Banks (part of arrangement)			
Bank Leumi	100370	125	-0.6
Bank Hapoalim	128000	31	-0.5
Bank Leumi	41300	352	-0.8
Bank Hapoalim	173000	6	-0.6
Bank Leumi	43330	576	-0.7
Bank Hapoalim	57800	12	-0.5

Name	Price	Volume	% change
Mortgage Banks & Finance			
Bank Leumi	8500	82	-
Bank Hapoalim	2350	88	-
Bank Leumi	22850	11	-2.3
Bank Hapoalim	8300	5	-5.0
Bank Leumi	11970	66	-

Name	Price	Volume	% change
Insurance			
Bank Leumi	1320	1445	-0.8
Bank Hapoalim	780	30	-1.4
Bank Leumi	15000	184	-5.3
Bank Hapoalim	2182	80	-0.1
Bank Leumi	380	220	-0.9
Bank Hapoalim	4840	-	-

Name	Price	Volume	% change
Real Estate, Building and Agriculture			
Bank Leumi	315	768	-7.4
Bank Hapoalim	44400	151	-2.2
Bank Leumi	2070	200	-1.4
Bank Hapoalim	6380	80	-
Bank Leumi	315	4288	-
Bank Hapoalim	4242	361	-1.8
Bank Leumi	18890	131	-2.3
Bank Hapoalim	318	8888	-1.9
Bank Leumi	6380	824	-2.3
Bank Hapoalim	1890	214	-

Name	Price	Volume	% change
Industrials			
Bank Leumi	3450	548	-1.4
Bank Hapoalim	31000	32	-

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Bank Hapoalim	31000	32	-

Name	Price	Volume	% change
Real Estate, Building and Agriculture			
Bank Leumi	315	768	-7.4
Bank Hapoalim	44400	151	-2.2
Bank Leumi	2070	200	-1.4
Bank Hapoalim	6380	80	-
Bank Leumi	315	4288	-
Bank Hapoalim	4242	361	-1.8
Bank Leumi	18890	131	-2.3
Bank Hapoalim	318	8888	-1.9
Bank Leumi	6380	824	-2.3
Bank Hapoalim	1890	214	-

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Bank Leumi	6380	824	-2.3
Bank Hapoalim	1890	214	-

Name	Price	Volume	% change
Commercial Banks (not part of arrangement)			
Bank Leumi	27750	3	-0.2
Bank Hapoalim	14500	141	-5.2
Bank Leumi	8000	1188	-1.9
Commercial Banks (part of arrangement)			
Bank Leumi	100370	125	-0.6
Bank Hapoalim	128000	31	-0.5
Bank Leumi	41300	352	-0.8
Bank Hapoalim	173000	6	-0.6
Bank Leumi	43330	576	-0.7
Bank Hapoalim	57800	12	-0.5

Name	Price	Volume	% change
Mortgage Banks & Finance			
Bank Leumi	8500	82	-
Bank Hapoalim	2350	88	-
Bank Leumi	22850	11	-2.3
Bank Hapoalim	8300	5	-5.0
Bank Leumi	11970	66	-

Name	Price	Volume	% change
Insurance			
Bank Leumi	1320	1445	-0.8
Bank Hapoalim	780	30	-1.4
Bank Leumi	15000	184	-5.3
Bank Hapoalim	2182	80	-0.1
Bank Leumi	380	220	-0.9
Bank Hapoalim	4840	-	-

Name	Price	Volume	% change
Real Estate, Building and Agriculture			
Bank Leumi	315	768	-7.4
Bank Hapoalim	44400	151	-2.2
Bank Leumi	2070	200	-1.4
Bank Hapoalim	6380	80	-
Bank Leumi	315	4288	-
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Bank Leumi	6380	824	-2.3
Bank Hapoalim	1890	214	-

Name	Price	Volume	% change
Industrials			
Bank Leumi	3450	548	-1.4
Bank Hapoalim	31000	32	-

Yisum	145	9800	-2.0
Oil Exploration			
Paz Oil Expl.	20300	38	-
J.O.E.L.	384	4807	-4.2
25 Shares			

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Superpower turning point

WHETHER OR NOT the American-Soviet summit that opens in Washington today actually heralds the beginning of the end of the era of confrontation between the superpowers — the history of the post-war years is littered with great expectations dashed to pieces — it nevertheless marks a turning point in superpower relations. And its impact is likely to be felt far, wide, and deeply.

The ban which the agreement purports to declare on intermediate-range nuclear missiles will reduce the world nuclear arsenal by something like one-twentieth. It will leave untouched "tactical" short-range missiles with a range of up to 500 kilometres and, most importantly, the awesomely destructive long-range, intercontinental ballistic missiles, with a range of over 1,500 kilometres.

It may relieve Western Europe, for example, of the threat of a nuclear Soviet attack while exposing it, after the withdrawal of the presumably deterrent Pershing 2 missiles, to the danger of a Warsaw Pact attack with "conventional" arms. It does not, to put it simply, hold out the promise of eternal peace any time soon.

But it does represent the biggest agreed step forward since Hiroshima towards lifting the spectre of a global nuclear holocaust.

Until not long ago even this limited agreement seemed very much like pie in the sky. It has only been made possible by Mr. Gorbachev prevailing on his Politburo colleagues to withdraw the traditional Soviet objections to on-site inspection of arms-control measures, and by starting to free the Soviet economy from the oppressive burden of armaments. Mr. Reagan, vindicated in his belief that only the threat of bankruptcy would make the Russians see the light, snapped up the opportunity to make his own contribution to world peace.

A wider agreement is by no means in the bag, and for the moment seems unlikely without at least a scaling-down of the "Star Wars" programme, Mr. Reagan's favourite.

But it no longer appears as remote a prospect as it used to be. That is precisely what now fuels opposition in the U.S. to the INF treaty. American critics of the treaty, representing mainly — an irony that should readily be appreciated by Israelis — the president's own hardlining, conservative Republican persuasion, fear that a real drastic shrinkage in the size of America's nuclear defence will be lethally destabilizing, and will enable the "evil empire," still unreformed, to grab world hegemony.

The nuclear bargain struck by Mr. Reagan is, as the president has put it, "a good bargain." It also raises, without directly answering, some questions that have a vital bearing on Israeli national interests. One question involves the possible effect of the treaty on Israel's military posture vis-à-vis the Arabs. While compliance with the pact would require the Soviets to deny to their Syrian allies intermediate-range Scud missiles, it could also result in pressure on this country to bare its home-made arsenal.

Another question concerns the impact of any political fallout from the treaty on the Middle East. The issue for Israel may no longer be American reluctance to push for an international conference, but an over-eagerness to do so. Yet the dictatorial Soviet blueprint for the conference, unveiled at the UN General Assembly last week, could not be deemed fit even for discussion.

Then there is the matter of the rights, notably for repatriation, of Soviet Jews. The U.S. administration will hardly be surprised to learn that neither the present nor any presently conceivable Israeli government will trade its commitment to the defence of these rights for a mess of warm detente pottage.

HERZOG

(Continued from Page One)

dressed as Theodor Herzl, and was forcibly removed by security guards. The WZO spokesman said that the intruder, actor Yoel Drori, had been taken into custody by police.

The chairman of the Jewish Agency Board of Governors, Mendel Kaplan, addressed the congress in Hebrew. He called for an end to political party dominance in the WZO.

In the first test of political strength at the congress, the bloc allied with Labour came out ahead, indicating that it will be able to mar-

shal a majority to elect Simcha Diniz as WZO chairman, over his rival Gideon Patt of the Likud.

The elections for chairman are slated to be held today, but may be postponed until later in the week.

The test of strength was over the election of the chairman of the congress presidium, with Ruth Popkin of the Confederation of United Zionists (Hadassah) winning handily over Raya Jaglom of Wizo. The confederation is part of the Labour bloc, while Wizo's candidate was backed by the Likud and the Miz-

POWER GRID

(Continued from Page One)

arrangement was "fair," and would enable the JDEC to survive and overcome its mounting debt, which now stands at over 25 million dollars. (The money is owed to the IEC, from which the JDEC buys some 95 percent of its power.)

The company could continue to supply 70,000 of its 100,000 former customers, he said, adding that he

would work to ensure employment and compensation for some 200 workers threatened with layoffs under the new concession terms.

He said he had communicated details of the new concession arrangement to the Egyptian embassy, in the hope they would be passed on to Jordan. Jordan has made any assistance to the JDEC conditional on extension of the concession in its current size.

200,000

(Continued from Page One)

Morris Abram, chairman of the National Conference on Soviet Jewry, noted that glasnost so far "has not made a fundamental difference" for the Soviet Union's Jews. "We, who lost one third of our people in this generation, gather on this Freedom Sunday to rescue over two million Soviet Jews from their forced exile in a country now at war with their religion and culture — where even the teaching of their sacred language is forbidden."

Sharansky received a tumultuous ovation from the assembly on the mall between the Washington Monument and the Capitol building. Under a chilly but sunny sky, he declared that when the idea of a mass demonstration was first raised several months ago, many Jewish leaders told him that it would be impossible to attract a large number of Jews to Washington during the winter. But he and others persisted and yesterday's turnout was widely considered a success.

Jews from virtually every community in the U.S. and Canada came to

IF EVERYTHING goes as expected, many new names will appear in the Labour Party list for the 12th Knesset, including those of five or six members of the younger generation. This, perhaps more than anything else the Labour Party has to offer — be it Shimon Peres, level-headed thinking, responsible decision-making or a good track record — could help determine the outcome of the next elections.

The enthusiasm with which the relatively unknown Nissim Zvili was received by the public when he presented himself as one of Labour's candidates for the chairmanship of the Jewish Agency, is a clear indication of the prevailing atmosphere. Zvili might well turn out to be one of Labour's shining assets in the coming Knesset elections.

In the current Knesset, there are only two Labour MKs (Haim Ramon and Abdel Wahab Darousha) under the age of 50. It is not only the party's young guard which is dissatisfied with the situation, but its general secretary, Uzi Baram, as well.

Since assuming office in 1985, Baram has been working to democratize the party, with the result that a much larger number of young people, including many from development towns and the poorer neighbourhoods, are members of its various institutions than ever before.

It is hoped that the abolition of the nominations committee, which used to put together the party's list for the Knesset, and free competition for at least some of the "safe" places on it will bring about the desired change. (Places are still being reserved for the top party leadership, three members of Weizman's Yehud, and representatives of the

party's various districts, each of which selects its own candidates.)

The only danger is that the free competition might turn out to be a sham as a result of horse trading between the various blocs within the party.

WHAT WILL BE the practical effects of a change in the make-up of the party list?

First of all it will alter the party's face, which will be younger, its language, which will be more popular, its tone, which will be much more caustic, and its style, which, to judge by Haim Ramon's conduct in the Knesset, will be much more energetic.

In addition, there will be a greater emphasis on principles and, to quote the secretary of the Labour Party Young Guard, Efraim Zinger, "greater resistance to smoothing corners and minding words."

While the young Labourites are more dovish than their elders, they are inclined to base their argumentation on the harm the continued occupation is causing Israeli society in general and the individual in particular, rather than on high politics, which are beyond the comprehension of the average citizen.

They are also more flexible in their approach to the PLO, and would be willing to accept it as a

EXACTLY THREE years ago, Operation Moses was in full swing, rescuing thousands of Jews from dire straits and enabling them to finally realize their time-old dream of reaching their homeland, Israel. However, the scandalous publicity which surrounded Operation Moses, causing its cessation, forced thousands of families to become separated, possibly forever.

Throughout history, the Jews of Ethiopia preserved their spiritual contact with the Jewish people and the Land of Israel, praying daily for the opportunity to return to Jerusalem. Today, however, the plea is no longer only of a spiritual nature, but also a humanitarian one. More than 15,000 Jews remain in Ethiopia, left in limbo, separated from their family members who were fortunate to reach Israel. Therefore, the Jews of Ethiopia have one basic request: that their fundamental human rights be granted, and that they be allowed to rejoin their immediate families in Israel.

In addition to the heroic efforts involved in saving thousands of lives through Operation Moses, the operation was also a unifying factor be-

tween Israel and Diaspora Jewry. The fund-raising campaign that accompanied it enabled Diaspora Jewry to become partners with the State of Israel in the rescue and resettlement of Ethiopian Jewry.

However, the tremendous hype related to that fund-raising campaign left the impression with the majority of Diaspora Jewry that their dollars actually saved Ethiopian Jewry in its entirety. In fact, the imagery created by that campaign doomed more than 15,000 Jews to isolation.

SINCE Operation Moses, the situation of the Jewish community in Ethiopia has drastically deteriorated. The structure of the Jewish villages is being dismantled through the government's process of "villag-

ization." Jewish women in particular are prey to bandits, and a tremendous emotional strain has been inflicted upon thousands of parents who have been separated from their children — some for as long as 10-15 years. A fact that best exemplifies the current situation is the continuing imprisonment of 37 Jews in Addis Ababa. These prisoners of Zion were imprisoned over 11 months ago, in January, for the sole reason that they assisted the country's Jewish community. To date, no way has been found to guarantee their freedom.

In order to facilitate the reunification of Ethiopian Jewry, the State of

The plight of Ethiopia's Jews is deteriorating It may soon be too late

Joseph Singer

Recent articles in the Israeli press indicate that Israel is attempting to renew diplomatic relations with Ethiopia. Witness Foreign Minister Peres's meeting at the UN with his Ethiopian counterpart, and Abie Nathan's recent visit to Ethiopia and his efforts to "revolutionize" the housing conditions in the Ethiopian villages.

In an interview with *The Jerusalem Post* (November 27) Abie Nathan stated that "a special closeness exists between Israel and Ethiopia that goes beyond the Ethiopian-Jewish connection."

This closeness or the renewal of diplomatic relations cannot be de-

veloped at the expense of the Jewish community.

THE STATE OF Israel must show its commitment to Ethiopian Jewry, and this can be achieved by entering into a new partnership with Diaspora Jewry, one not related to fund-raising.

Diaspora Jewry must be galvanized to participate in a public campaign stressing the humanitarian right of the reunification of Ethiopian Jewish families in Israel. Therefore, the Zionist Congress, has the opportunity and responsibility of mandating the creation of this campaign.

Today, the existence of Ethiopian Jewry is no longer a secret. The policies which existed in the late '70s and early '80s, relying solely on quiet diplomacy, are outdated. More than 15,000 Jewish people, including women, children and the elderly, depend on the State of Israel and the Jewish Agency's activism and decisiveness today, because tomorrow may be too late.

The writer is community organizer of the Association of Ethiopian Immigrants.

READERS' LETTERS

ALIYA FROM SOUTH AFRICA

To the Editor of *The Jerusalem Post*: Sir, — As a former chairman of the South African Zionist Federation, I wish to comment on some of the observations made by Derek Perlman in his article of November 10, "New South Africa." It is of course an undeniable fact that a considerable number of South African Jews moved to Australia. However, the off-mad characterization in the local press of the South African Jewish community as one on the move, but not to Israel, should not be left unchallenged. Furthermore, the impression conveyed by the article that South African Jewry's identification with Israel is confined to financial contributions, trade, tourism, etc., but that Israel is not seriously regarded as a place to make one's permanent home, is simply untrue.

Aliya has always been a leading feature on South Africa's Zionist agenda and has not been confined merely to verbal obedience. In relation to its size, aliya from South Africa has far outstripped that from any other free community. It should be pointed out at this stage, and I do so in order to forestall spurious reasoning, that South African Jewry is not a community in distress. Its life-style compares very favourably with that of any other western community, and it is not "sitting on a volcano."

Over 16,000 South African Jews are now settled in Israel, represent-

ing almost 15 per cent of the entire community. These include a large number of people who have held leading spiritual and lay positions. How many communities can claim that almost half of those who have served as chairmen of the Zionist movement and presidents of Wizo and every rabbi on retirement, have settled in Israel? The contribution which South Africans in Israel have made to sport, art, academe and industry is well known and needs no recapitulation or amplification.

This in no way implies that the Zionist leadership accepts with any degree of equanimity the current drift to countries other than Israel. No effort or expense is spared to convince those who consider emigrating, that Israel is very much a viable alternative. However, it is a difficult task to counter human nature which is pulled towards the line of least resistance.

Having said this, it should be noted that there is a current annual aliya of 800-1,000, who eschew the enticements of Australia or Canada, providing a larger aliya than that yielded by any other western community. This in itself is a tribute to a community whose pre-eminence as a Zionist-oriented group and identification with Israel are acknowledged throughout the Jewish world.

Jerusalem. SOL LIEBGOTT

RESTORATION IN EAST BERLIN

To the Editor of *The Jerusalem Post*: Sir, — I read with great interest Geoffrey Wigdore's article of November 10, "East Germans recall the Jewish legacy."

I do not want to minimize in any way the great work *Aktion Sühnezeichen* does in maintaining Jewish cemeteries and contributing to the upkeep of sites of former Nazi death camps in Poland and in voluntarily aiding Israel for many years already. However, in the case of the Addas Yisroel cemetery in East Berlin others deserve the merit.

I refer to Dr. Mario Offenberger, an Israeli working at the West Berlin *Freie Universität*. While looking for the graves of his parents and forefathers who had been members of the Orthodox Jewish community Addas Yisroel in pre-Nazi Berlin, he found the cemetery completely neglected and turned to the GDR authorities who fully financed and executed its restoration.

HANS LEBRECHT
Correspondent of
Nenes Deutschland
ADN News Agency in Israel
Tel Aviv.

NON-VIOLENCE

To the Editor of *The Jerusalem Post*: Sir, — Mubarak Awad's espousal of "non-violence" of the kind advocated by Martin Luther King besmirches Rev. King's memory and ideology. That he cloaks himself in the respectability of King's use of non-violence is a *hutzpa* of the first order.

Rev. King had no intention of overthrowing the duly constituted United States government. He demanded the rights guaranteed by the U.S. Constitution to all its citizens. In addition, Rev. King's philosophy of non-violence was all-inclusive, and not selective.

Mr. Awad's brand of "non-violence" is not for everyone (so he says), and so, he does not deny the use of violence by the PLO, nor does he abhor its use by others. His (Awad's) methods are to serve one end: the overthrow of Israel.

Can any nation tolerate such a man within its midst?

Jerusalem. JONAH WAHRMAN

IN DEFENCE OF NAHAL

To the Editor of *The Jerusalem Post*: Sir, — The tragic events which occurred at the Nahal base in the north were inexcusable, although the soldiers involved were only rear-echelon and not front-line troops. But placing the blame on the Nahal brigade as a whole is a great mistake and injustice.

The Nahal has proved itself time and again as an exceptional fighting force in all of our nation's conflicts. If there is to be any house-cleaning, then it should be done on a large scale involving the present system of discipline in the IDF. What happened in the north, I am sorry to say, could have happened just as well elsewhere.

RONNIE COHEN
(Ex-Nahal soldier)

Jerusalem.

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